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VIETNAM'S AGGRESSIVE ATTITUDE DENOUNCED

HK250410 Hong Kong WEN WEI PO in Chinese 25 Aug 86 p 2

[Editorial: "Vietnam Has Not Changed Its Aggressive Attitude"]

[Text] Mikhail Gorbachev delivered a speech at Vladivostok in late July. Meanwhile, TASS announced that Truong Chinh, General Secretary of the Vietnamese Communist Party, went to the Soviet Union for a vacation upon invitation. This gave the impression that the Soviet Union seemed to be interested in readjusting its relations with China and Sino-Vietnamese relations. How will the situation develop? This attracts the attention of those who are concerned with peace in the Asian-Pacific region.

Gorbachev held talks with Truong Chinh on 12 August. He reiterated that the Soviet Union would continue to "support the Vietnamese people." "The two sides discussed supplemental measures for cementing the economic and trade ties and the ties of scientific and technological cooperation between the Soviet Union and Vietnam." "The Soviet Union and Vietnam have identical views on the international situation." "The Asian-Pacific region should be managed by the joint efforts of all countries and fully respect the right of the people of each country to choose their way of life." "The Soviet Union, Vietnam, Laos, and Cambodia are one in actively advocating the change of Southeast Asia into a region of peace, good neighborliness, and cooperation." "The Soviet Union and Vietnam reiterate their will to normalize their relations with China. This will be of great significance to peace in the Asian-Pacific region." These remarks were reported by TASS.

However, in reporting this meeting, the Vietnamese newspapers did not carry such phrases as "the completely identical views of both sides on all questions," nor did they express gratitude for the Soviet aid. This was unlike what they have invariably done in the past.

Obviously, the Soviet and Vietnamese general secretaries, in their meeting, did not attempt to solve the Cambodian question but played a trick. On the fifth day after their meeting, the "foreign ministerial meeting of Vietnam, Laos, and Phnom Penh," engineered single-handedly by Vietnam, opened. Vietnamese Foreign Minister Nguyen Co Thach praised Gorbachev's Vladivostok speech as having promoted "peace in the Asian-Pacific region." However, how can there be "peace" before the Vietnamese war of aggression against Cambodia has ended?

The Vietnamese foreign minister adhered to his aggressive stand, announcing that the development of the Cambodian situation is "irreversible." His aim was to make world opinion recognize the lawfulness of the Vietnamese aggression against Cambodia and to stop the anti-Vietnamese forces from offering resistance. Such "peace" means only to allow the aggressors to carry on expansionism "in peace."

Commenting on the foreign ministerial meeting of the three Indochinese countries, the Chinese Foreign Ministry pointed out that the Vietnamese authorities did not show sincerity in solving the Cambodian question. The fundamental obstacle to the normalization of Sino-Vietnamese relations is the Vietnamese occupation of Cambodia. There is no way to talk about negotiations in any place and at any level proposed by Vietnam.

The Soviet Union asked China and Vietnam to hold 'comradely' dialogue. This is impractical. China is absolutely not a "comrade" of Vietnam, which goes in for expansionism, jeopardizing the peace in Southeast Asia. The Soviet Union is Vietnam's "comrade." [paragraph continues]

It was precisely because the Soviet Union supplied Vietnam with tanks, aircraft, missiles, and guns that Vietnam could launch an 8-year-long war of aggression against Cambodia. Is it not ridiculous to talk about "fully respecting the right of the people of each country to choose their way of life" before the Soviet Union stops giving military aid to Vietnam? Only when Vietnam has completely withdrawn its troops can the Cambodian people choose the political form of their country and enjoy real independence.

How can Sino-Vietnamese and Sino-Soviet relations be normalized when Gorbachev has evaded the question of Vietnamese aggression against Cambodia and Vietnam makes no mention of stopping its aggression against Cambodia? Vietnam holds that since China and the United States might evade the Taiwan question and normalize their relations, why can't the Cambodian question be evaded by the same method? This argument is untenable. The condition for the normalization of Sino-U.S. relations was that the United States would withdraw all its troops from Taiwan and the Taiwan Strait and abrogate the Taiwan-U.S. Joint Defense Treaty. The Vietnamese expansionist acts are seriously threatening the safety of China and Southeast Asia. China will absolutely not evade this question. The obstacle to the normalization of Sino-Vietnamese relations lies on the Vietnamese side. The Vietnamese withdrawal of troops from Cambodia is the only way to solve the question.

RENMIN RIBAO VIEWS U.S.-USSR NUCLEAR TESTS DISPUTE

HK240230 Beijing RENMIN RIBAO in Chinese 23 Aug 86 p 6

["Roundup" by Zhang Liang: "The Argument Over the Nuclear Testing Issue"]

[Text] On 18 August, Soviet leader Gorbachev extended until 1 January next year the time limit for a halt to all nuclear tests, originally set for 6 August, and continued to demand that the United States follow the Soviet example. However, the United States, giving as its reason that halting nuclear tests now "is not in U.S. security interests," again rejected this Soviet proposal. This is the fourth U.S.-Soviet clash over the nuclear tests issue in a year. It shows that the two sides still diverge widely in their stand on this issue.

This argument over the nuclear testing issue began at the end of July 1985. At that time, the Soviet Union put forward a proposal on "halting tests" and decided that it would unilaterally halt all nuclear tests from 6 August that year (the 40th anniversary of the dropping of the first U.S. atomic bomb on Hiroshima) until 1 January 1986. The Soviet Union also appealed to the United States to follow suit. On the day of this Soviet announcement, the United States announced that President Reagan had written to Gorbachev inviting the Soviet Union to send observers to Nevada to monitor the nuclear tests. The two sides rejected each other's proposals. The United States described the Soviet proposal for a temporary test halt as a "propaganda trick" that would not allow for verification. The Soviet Union, for its part, said that inviting the Soviet Union to send observers to the nuclear tests showed a desire to "legalize" the tests. After that, the Soviet Union took every opportunity to repeatedly raise the proposal for a bilateral Soviet-U.S. halt on testing. On 15 January and 10 May this year. The Soviet Union announced further extensions to the temporary halt in tests, to last until 6 August, while the United States adopted, as before, an attitude of boycotting the proposal. In order to ban nuclear tests, Gorbachev indicated a desire to hold a special meeting with Reagan in Europe to discuss the issue. The United States, for its part, said that summit talks "should embrace all questions in U.S.-Soviet relations," and was not willing to hold a high-level meeting only to discuss the test ban issue.

In the past year, the Soviet Union has extended the test halt three times to put pressure on the United States in a bid to force it to give way and put a halt to the necessary U.S. tests being carried out in order to improve its weapons. However, the United States has come up with all sorts of reasons to withstand the Soviet pressure and not give an inch. It has also carried out 18 underground nuclear tests. The two sides have waged a war of words during this period, which seems to have never stopped. The Soviet Union has accused the United States of following a "principle of nuclear confrontation" by rejecting a halt on tests, "thereby wrecking the efforts to stop the arms race," in a bid to gain "nuclear superiority" over the Soviet Union. For its part, the United States has countered that the aim of the Soviet Union in currently calling for a joint U.S.-Soviet halt to nuclear tests is to "freeze Soviet nuclear superiority" and block U.S. efforts to improve its deterrent forces. At the same time, the two sides have exerted themselves in defending their stands. One side says that halting nuclear tests is the most practical way in striving to halt the arms race; the other says that the verification technology needed for halting nuclear tests is not yet complete, hence verification is impossible. As far as arms control is concerned, the U.S. goal is to greatly reduce the offensive nuclear weapons of both sides.

It is not difficult to see that the attempts of the two sides to gain military superiority lurk behind this argument. According to analysis by Western public opinion, there is at present a rough parity between U.S. and Soviet nuclear forces, with the Soviet Union holding an advantage in certain fields. Taking into account the requirements for its domestic economic development, the Soviet Union hopes to maintain this parity and is worried that the United States will gain military superiority by means of its "star wars" scheme. It therefore regards wrecking this U.S. scheme as its top priority. This is the real reason why the Soviet Union has repeatedly extended its halt on nuclear tests and called on the United States to do the same. TASS, too, has stated it with great clarity: "A halt to tests of nuclear weapons for use in space is a serious obstacle on the road to U.S. accomplishment of its star wars scheme." The reason the United States has adopted a hardline approach and refused to halt nuclear tests is that it has to correct imbalances in nuclear armaments, and carrying out such tests for a certain period is essential in order to maintain the reliability of the existing nuclear weapons and to research a new generation of nuclear weapons. The United States has therefore repeatedly stressed that to halt these now would not be in the security interests of itself and its allies. Of course, the United States does not want to fall into the "trap" of the Soviet demand for a test halt, which would restrain "star wars" research.

In short, the argument between "halting tests" and "being opposed to halting tests" is not an isolated affair. It is a question of substance involving U.S.-Soviet rivalry for military superiority. Hence, certain arms control experts in the West hold that the United States and the Soviet Union "simply cannot agree to sign a treaty on the all-round banning of nuclear weapons test" in the near future.

COMMENTARY ON U.S.-SOVIET CHEMICAL WEAPONS RACE

HK211518 Beijing SHIJIE ZHISHI in Chinese No 15, 1 Aug 86 pp 22, 23

[Article by Wei Kang and Wu Wei: "Another Disturbing Sign in the Arms Race"]

[Text] Just as the people of the world are greatly worried about the spiraling escalation of the U.S.-Soviet arms race another disturbing sign has emerged in the arms race: The spring meeting of the NATO defense ministers officially approved on 22 May a plan for enhancing the NATO chemical warfare capability and a plan for the United States to study a new type of chemical weapon.

At a press conference after the meeting, U.S. Defense Secretary Caspar Weinberger said that the modernization of chemical weapons "is an indispensable part of our objective of strength" and that an important aspect of the modernization program is that "we shall have binary chemical weapons." This produced an immediate reaction in the Soviet Union. In a commentary on 24 May, PRAVDA scathingly said that after becoming the "nuclear hostages of the United States" by deploying American medium-range guided missiles, Western Europe "again fell into the chemical trap of the Pentagon" at the meeting. In a statement on 30 May, the Soviet Government resolutely denounced the NATO resolution and held that it "will bring about especially harmful consequences."

There is reason for the strong Soviet reaction. As it is, the Soviet Union is enjoying a 10 to 1 superiority over the United States in the relative strength of chemical weapons. The Soviet Union has a well-trained chemical warfare force numbering 100,000 and even this figure can be expanded by 100 percent in wartime. It possesses 300,000 tons of chemical preparations for actual combat. Moreover, there are over 50 factories that produce or can produce chemical weapons in storage, such as the gas shells and gas rockets, are outdated and some have even leaked gas. Consequently, it has hardly any weapons to use today. There is no doubt that the NATO resolution will upset the current balance of forces between the United States and the Soviet Union and play a role in helping the United States seize an all-round military superiority over the Soviet Union.

Chemical weapons rely on the toxicity of chemical preparations to inflict casualties on opponents. Their power is second only to that of nuclear weapons. They can exterminate or inflict casualties on people without a protective cover over a large area and destroy ecological environment over a large area. Moreover, their antipersonnel capability can last a fairly long time. As far back as World War I, chemical weapons were manufactured and used. When used by German forces for the first time in Belgium in March 1915, they instantly left 15,000 people incapacitated and another 5,000 people dead. The number of people killed or wounded by chemical weapons in World War I was estimated at 1.3 million, and the survivors also suffered from incurable sequelae.

In view of their tremendous harm, chemical weapons have been strongly opposed from the start in all parts of the world. In 1925, 110 countries signed the "Geneva Protocol" on banning the use of chemical and biological weapons. During World War II, however, the German, Italian, and Japanese fascists again used chemical weapons. After the war, some countries still manufactured and stockpiled chemical weapons. The superpowers, in particular, possess the largest chemical weapon arsenals in the world. In some regional conflicts and partial wars, chemical weapons are still used from time to time in countries like Vietnam, Afghanistan, and Cambodia.

In the late 1960's, seeing that the United States had failed to extricate itself from the war of aggression against Vietnam while the Soviet Union had drastically expanded its strength and that the growth and decline of the relative strength of the two sides was unfavorable to the United States, then President Nixon deemed it necessary for the United States to have detente. In an effort to "create an atmosphere" for the first U.S.-Soviet summit on limiting strategic weapons to be held at the end of 1969, Nixon made a "high gesture" by announcing that the United States would stop producing chemical weapons and would not be the first to use them. In 1974, the United States signed the "Geneva Protocol" of 1925. However, since the late seventies, new changes have taken place in U.S.-Soviet rivalry for world hegemony. [paragraph continues]

Particularly since the Reagan administration took office, the United States has been rebuilding armaments in all fields in an attempt to seize an all-round military superiority over the Soviet Union. Beginning in 1982, Washington often entertained the idea of reproducing chemical weapons. At that time, however, the United States regarded the modernization of nuclear weapons as a priority and, therefore, the reproduction of chemical weapons was still at the stage of deliberation.

Things have changed over the past 5 years. In a recent article, "U.S. Defensive Strategy," U.S. Defense Secretary Caspar Weinberger bluntly asserted: "Now the United States begins to deal with the Soviet Union from a position of strength and hopefully from a relatively more powerful position of strength." Given a nuclear stalemate, Reagan has stressed a "low-intensity war" and attached importance to the development of conventional military forces. Thus, the redevelopment of chemical weapons, which come under the category of nonnuclear weapons, has been placed on the agenda. In early 1985, the United States set up a chemical weapon issue committee. It is also eager to develop a new type of binary chemical weapons, the development of which has been suspended for 17 years. A weapon for mixing two kinds of chemical material into gas, the binary chemical weapon is fatal to the nervous system. Weinberger said that it is "much safer to produce, transport, deploy, and use" this weapon, which is a trump card in chemical warfare.

The United States attaches increasing importance to chemical warfare. It has even entertained the idea of enhancing the strategic importance of chemical weapons to that of nuclear weapons. The United States wanted to step up the deployment and production of chemical weapons in Western Europe in order to "defend Europe's security." The West European allies have serious misgivings and are therefore not enthusiastic about this. Some have expressed their objections in public; some have maintained a "deliberately evasive silence"; some have stressed the need to ban chemical weapons through global talks; and some have advocated the idea of "setting up a nonchemical weapons zone in Central Europe." In spite of this, the United States has quickened its pace in this field. In July last year, the U.S. House of Representatives approved the allocation of over U.S. \$100 million for the production of binary chemical weapons. Meanwhile, the United States also stepped up its efforts to persuade its Western allies. Its argument is that: Owing to its superiority in conventional weapons, the Soviet Union will very probably be able to force NATO to choose between acknowledging defeat and making a nuclear reaction in a bloodless war if only it launches a limited offensive with chemical weapons against NATO. Since NATO is unwilling to use nuclear weapons, the new binary nerve gas weapon will provide a new choice. It can be used both as a deterrent force and as a retaliatory measure. Under these circumstances, the NATO defense ministers meeting approved the resolution. The Netherlands, Norway, Denmark, Luxembourg, Iceland, and Greece expressed their reservations, while Italy expressed its qualified support.

The United States and the Soviet Union have held numerous talks on the chemical weapons issue but no agreement has been reached so far. When they met in Geneva last November, the U.S. and Soviet leaders agreed to hold talks on preventing the proliferation of chemical weapons. However, after the representatives of the two countries held talks in Bern, Switzerland, last March, American officials only said that in preventing the proliferation of chemical weapons the two parties' "keynotes were positive." World public opinion has strongly condemned the study, production, and use of biological and chemical weapons. In 1968, the issue of banning biological and chemical weapons was placed on the agenda of the Geneva 18-state disarmament talks committee. Later, the talks on biological weapons were separately held. On 28 September 1971, the Soviet Union, United States, Britain, and other countries jointly presented a draft pact on banning biological weapons which, after being recommended by the United Nations, was signed in April 1972 and came into effect in March 1975. Since 1978, the Special UN General Assembly on Disarmament has consistently regarded a ban on chemical weapons as one of the most priority topics for discussion. [paragraph continues]

However, for a long time the talks on banning chemical weapons have made little headway, the greatest stumbling block being how to verify and supervise them. Moreover, the production of chemical weapons is so closely linked to that of civilian industries that it is hard to differentiate one from the other. This also accounts for the slow progress of the talks.

'ROUNDUP' ON GROUP OF 77 MEETING IN CAIRO

OW231940 Beijing XINHUA in English 1900 GMT 23 Aug 86

["Round-up: South-South Cooperation Gains Momentum --- (by Zhang Xiaoying and Yu Yuanjiang)" -- XINHUA headline]

[Text] Cairo, August 23 (XINHUA) -- More and more developing countries have realized that it is high time now to turn the slogan of South-South cooperation into practical, substantial and operational measures of economic coordination.

This trend has been manifested at the six-day high-level meeting of the Group of 77 on Economic Cooperation Among Developing Countries (ECDC), which ended here today.

In the new ECDC Cairo Declaration adopted this morning, representatives agreed to bring to a higher level the ECDC mechanisms of financing, information, research, scientific and technological network.

Another substantial resolution passed at the meeting was the utilisation of the ECDC trust fund interest of 500,000 U.S. dollars to finance those pilot projects of regional and subregional interests of ECDC countries.

The ECDC trust fund, which has a capital of 5 million dollars, will 'serve as the seed money for financing pre-investment or feasibility reports prepared by professional consultancy organizations in developing countries and facilitating the implementation of projects', the resolution noted.

A committee of six experts from Asia, Africa and Latin America will be set up to study the list of projects to be financed in.

Representatives from 77 countries attending the meeting stressed the principle of 'collective self-reliance' namely: the self-generating, self-sustaining and self-financing cooperation among the developing countries. This has reflected the growing awareness of the developing countries for self-reliance and pooling their own efforts in developing their economy.

Representatives also stressed objectives and priorities of promoting national economy of the member countries as the base for further South-South cooperation.

Though the meeting did not come to a unanimous agreement on the Global System of Trade Preference (GSTP), initiated at a meeting in Brazil last May, the Cairo Declaration stipulated that a successful conclusion of it must be framed out before May, 1987.

Nevertheless, the meeting agreed that preferential treatment will be taken in trade with the least developed countries which have fear that stronger developing countries would dump their products into their markets harming their own home industries.

Well-informed sources disclosed that more than 40 ECDC countries including Yugoslavia, Brazil and India have already agreed to implement the GSTP on specific scales and starting from specific trade items.

The meeting has successfully awakened the attention to the jointly planning utilisation of natural resources and the establishment of joint ventures.

Representatives also favoured the idea of supporting poverty-stricken African countries to implement rehabilitation and development programmes.

The reason for a stronger tie can be attributed to the slowdown in world economy in the 1980s in which the developing countries are the main sufferers of the declining prices of raw material, soaring foreign debts, natural disasters, heavy red figures, and widening trade deficits as well as economic losses due to political upheavals, civil conflicts and regional war.

'We are getting poorer, and the world economy is getting worse as far as we are concerned', said chairman of the Group of 77 Iganc Golob of Yugoslavia, 'I think everybody will have to get harder pinched before they realize they have to do something.'

At the meeting, the founding of a south bank, another practical measure to promote South-South cooperation has been discussed. However, it seemed that further negotiations have to be carried out to guarantee the benefits of the richer developing countries in the Mideast region for their investments to the proposed bank.

The issue of rocketing foreign debts have also been fully discussed at the meeting and a series of formulas have been proposed to lessen the burden of the debtor nations. But these proposals of course have to be negotiated with the creditor nations and international banks.

Closed door discussions have also been held on the strategy to promote North-South dialogue. Observers have the impression that it remains a issue to be settled for a common platform in the dialogue since a number of the ECDC member states are involved in varying degrees in political or economic alliances of certain political powers or blocs.

The progress of South-South cooperation has been clearly recorded since the founding of the Group of 77 nearly 24 years ago, and it has become the inevitable trend in the bid to change the existing international economic order in which the industrialised and developed countries have the dominant influence. However, how far and how soon South-South cooperation will develop will depend on how these countries are going to overcome the many barriers before them.

RENMIN RIBAO ON NEW U.S. POLICY ON SOUTH AFRICA

HK220614 Beijing RENMIN RIBAO in Chinese 19 Aug 86 p 6

["International Jottings" by Zhang Liang: "Weather Chart"]

[Text] In the United States today, the South African authorities have seemingly become a "popular object of contempt and denunciation". Concerning the apartheid system in South Africa's white regime, strong calls for sanctions against South Africa are being issued from the Congress successively these days, not to mention the earlier indignant condemnations and endless waves of protests from the people.

On 15 August, the Republican-controlled Senate voted by an overwhelming majority to approve a resolution on economic sanctions against South Africa, while a month earlier, the House of Representatives also passed a similar resolution by majority vote. Thus, it is difficult for the president to veto the resolutions. What embarrasses the Reagan administration is that 37 of the 53 Republican senators voted in favor of the resolution. Although both the Senate and the House of Representatives have still to discuss a compromise resolution, the approval of the two resolutions is more or less a barometer which clearly indicates: Sanctions against South Africa have become an irresistible trend in the United States.

Since assuming power in 1981, the Reagan administration consistently implemented a so-called "constructive engagement policy" toward South Africa. In its opinion, such a policy could induce the South African authorities to abandon its racial segregation system. Nevertheless, 5 years have gone by, and not only have the South African authorities not shown any intention of changing this system, they have intensified their brutal repression of the blacks. Tens of thousands of black men and women have either been thrown into prison or mercilessly murdered. The acts of the South African authorities are condemned and denounced by the world. However, in the face of these cruel realities, the self-appointed guardian of human rights, the United States Government, not only desisted from criticizing, but on the other hand, made various excuses for the barbaric acts of the South African authorities. No wonder the great mass of American people are roused to voice their protests.

In the U.S. Congress today, many people have changed their positions and censured the South African authorities, forcing the government to reproach the South African apartheid regime somewhat. This would have been unthinkable in the past. However, it looks as though the U.S. Government has not given up its long aborted "constructive engagement policy". In spite of this, the latest development of the situation demonstrates the enormous strength of the American people's will as well as the aspirations of the world's people. Shouldn't the U.S. Government learn a few lessons from this trend?

SINO-AMERICAN JEEP VENTURE RESUMES PRODUCTION

OW221234 Beijing XINHUA in English 1159 GMT 22 Aug 86

[Excerpts] Beijing, August 22 (XINHUA) -- The Beijing Jeep Corporation (BJC), a major Sino-American joint venture, has resumed production after a two-month suspension because of a shortage of foreign exchange. American general manager D.L. St. Pierre said at a press conference in this Chinese capital today that the problem was solved through consultation and cooperation between the two sides. [passage omitted] BJC will speed up the pace of localization by using Chinese-made components to replace expensive American ones, he said. [passage omitted]

PRC OFFICIAL CONFIRMS JULY BORDER INCIDENT

AU221337 Paris AFP in English 1330 GMT 22 Aug 86

[Text] Moscow, Aug 22 (AFP) -- A Chinese diplomatic source here confirmed Beijing reports Friday that a "minor" armed incident occurred last month along the Sino-Soviet border but a Kremlin spokesman refused to comment.

The Chinese official confirmed reports by a Soviet source in Peking and in the Japanese press that there had been a brief clash along the border between Soviet Kazakhstan and China's Xinjiang Province. The Soviet source described it as "minor".

But the official declined to comment on the claim in the Tokyo newspaper YOMIURI SHIMBUN, that one Chinese soldier was killed and another wounded July 12 when 13 disguised Soviet border guards fired on a Chinese patrol.

Gennadiy Gerasimov, Soviet Foreign Ministry spokesman, insisted that calm prevailed on the Soviet-Chinese border. "When a problem or incident occurs it is rapidly settled on the spot. There are not currently any outstanding questions of this sort to be settled", he said, declining to be more precise.

Observers said Mr. Gerasimov made great efforts not to allow the incident to appear to be ruffling Moscow's current courtship of Peking.

Mr. Gerasimov confirmed that Soviet Vice Premier Nikolay Talyzin would pay a seven-day visit to Beijing from September 8 to assess prospects for expanding economic ties between the two communist neighbours.

KYODO Reports Confirmation

OW231119 Tokyo KYODO in English 1108 GMT 23 Aug 86

[Text] Beijing, Aug. 23 KYODO -- China officially confirmed Saturday that a shooting incident occurred along its border with the Soviet Union in the middle of July.

A Foreign Ministry spokesman said a political commissar of the People's Liberation Army border guard was shot dead but the case had already been solved.

Internal documents of the state-run XINHUA NEWS AGENCY Editorial Department revealed that the shooting incident took place on July 12 along the border in Yili Kazakh Autonomous Province of the Xinjiang Uygur Autonomous Region, a reliable Chinese source said Saturday.

The documents said Soviet border guards opened fire at three Chinese guards in the area, killing a political commissar and wounding another soldier.

The Soviets have said that Soviet guards fired at Chinese guards by accident.

East bloc diplomatic sources here Saturday denied Western reports that tension mounted along the border following the incident.

PRC Source Details Incident

HK230800 Hong Kong AFP in English 0749 GMT 23 Aug 86

[Excerpt] Beijing, Aug 23 (AFP) -- A Chinese political commissar, head of an army company, was the victim of last month's shooting incident on the Sino-Soviet frontier, an unofficial Chinese source said Saturday. A Chinese soldier was also wounded, the source said.

The incident -- which occurred July 12 but only became public knowledge Friday -- happened in a semi-desert area in Yili, a prefecture in the Xinjiang Autonomous Region of northwestern China, the source said.

The dead cadre was accompanied by only a few soldiers on a routine patrol when the shots were fired, the sources said.

The Soviet Union lodged a verbal protest with the local Chinese authorities a few days later, saying the incident had occurred on Soviet territory. But China soon rejected the protest, saying it had happened on the Chinese side, the source said.

A company of Chinese troops usually numbers about 150 men, observers say.

China tried to downplay the incident, giving it only a brief mention two weeks after the fact in REFERENCE NEWS, a news digest circulated only among selected officials, said the source, who requested anonymity. Even then, the story appeared in an edition of reference news read only by top-ranking cadres, the source said. [passage omitted]

CPC OFFICIAL ON RELATIONS WITH CPSU

OW250958 Beijing XINHUA in English 0946 GMT 25 Aug 86

[Text] Beijing, August 25 (XINHUA) -- The relations between the Chinese and Soviet Communist Parties will not go back to what they were in the 1950s even if they are normalized, said an official from the Chinese Communist Party Central Committee's International Liaison Department.

China's peace and independent foreign policy dictates that China will not form alliance or develop strategical relations with any major powers of the world, he said.

The official made the remarks when answering questions posed by the magazine "FORTNIGHTLY CHAT." The full text of his speech appears in the latest No 16 issue which was published today.

He said that China sincerely hoped to improve its relations with the Soviet Union provided that the Soviets take practical steps on the Vietnam and Kampuchea issues. Before the obstacles are removed, normalization of state relations is not realistic, let alone the relations between the two parties.

The official said that the Chinese Communist Party had resumed or developed relations or contacts with more than 80 communist parties of Yugoslavia and the Communist Parties of Italy, France, Spain and other West European countries.

In addition, he said, China has established party relations of contacts with more than 80 progressive and friendly political parties and organizations of the Third World countries, which like to exchange views with China on international situation, world peace, safeguarding of the interests of Third World countries and people.

Developing such relations is conducive to enhancing state relations, strengthening friendship between peoples, and contributing to the effort to safeguard world peace and promote human progress, he said.

Answering the question why the Chinese Communist Party began developing relations with socialist, social democratic and labor parties in Europe and other regions, he said that these parties have a long history and are extensively rooted among the people.

Many of them are ruling parties or major parties not in office. They are influential both at home and abroad. They share identical or similar views with the Chinese Communist Party on international issues and are friendly to China, the official said.

The principle for developing ties with these parties is to seek mutual understanding and cooperation, transcending the ideological differences, he added.

He quoted party General Secretary Hu Yaobang as saying that "to cast aside differences and seek and develop things common -- it is established on this basis that friendship has real vitality." The same principle applies to the relations with the socialist international, he said.

The official said that party relations are of moral in nature, which is rather common internationally. We neither interfere in the internal affairs of other parties or take advantage of such relations to interfere in the internal affairs of other states or develop such relations against any third party.

YAO YILIN MEETS SOVIET PLANNING DELEGATION

OW221408 Beijing XINHUA in English 1356 GMT 22 Aug 86

[Text] Beijing August 22 (XINHUA) -- Vice Premier Yao Yilin met a delegation from the Planning-Budgetary Commission of the Soviet of the Union and Nationalities of the Supreme Soviet of the USSR here today. The delegation is led by Nikolay Ivanovich Maslennikov, chairman of the Soviet of Nationalities of the Planning-Budgetary Commission. [as received]

Yao expressed his welcome to the Soviet guests on behalf of the Chinese Government. During the two-hour meeting, both sides had an exchange of views on the economic development of the two countries. Yao hoped the delegation could get to know more about China during its visit.

Ye Lin, vice-chairman of the Financial and Economic Committee of the National People's Conference, also met the delegation. Both sides introduced the working situations of the two committees and expressed the hope that they would further promote the mutual understanding between the two countries and have more contacts.

JAPAN'S TAKEIRI TO MEET DENG XIAOPING 1 SEP

OW230743 Tokyo KYODO in English 0739 GMT 23 Aug 86

[Text] Beijing, Aug. 23 KYODO -- Yoshikatsu Takeiri, chairman of the Japanese Party opposition Komeito, arrived here Saturday for talks with Chinese leaders. Takeiri, heading an official party delegation, will stay in China until September 4.

He is scheduled to confer with China's senior leader Deng Xiaoping on September 1. Invited by the China-Japan Friendship Association, Takeiri and members of his delegation are also expected to hold talks with party General Secretary Hu Yaobang and Premier Zhao Ziyang.

TIAN JIYUN MEETS JAPANESE GROUP 23 AUG

OW231746 Beijing XINHUA in English 1427 GMT 23 Aug 86

[Text] Beijing, August 23 (XINHUA) -- Vice-Premier Tian Jiyun met here today Isao Masamune, president of the Japan-China (Northeast) Development Association, and his party.

The Japan-China (Northeast) Development Association was founded by Japanese businessmen and entrepreneurs to promote economic and technical exchanges between Japan and northeast China, which consists of the Provinces of Liaoning, Jilin and Heilongjiang, and the eastern Inner Mongolia Autonomous Region. During the meeting, Tian expressed his gratitude to Isao Masamune for his efforts in promoting economic cooperation between the two countries. Minister of Communications Qian Yongchang was also present on the occasion.

The Japanese visitors arrived in Beijing August 19 the invitation of the China-Japan Friendship Association. While in Beijing the delegation held discussions on the possibility of economic cooperation between the two sides in northeast China. They envisage port construction projects, retooling of old factories and ginseng processing. The delegation is scheduled to visit Dalian, a port city in Liaoning, after leaving Beijing.

LI PENG, WANG ZHEN MEET JAPANESE AIRLINE GUESTS

OW221048 Beijing XINHUA in English 1006 GMT 22 Aug 86

[Text] Beijing, August 22 (XINHUA) -- Vice-Premier Li Peng and Honorary President of the China-Japan Friendship Association Wang Zhen met here today a Japanese delegation from the All Nippon Airways Co., Ltd, led by its advisor Kaheita Okazaki and President Taizo Nakamura on separate occasions.

The Japanese guests said that the all Nippon Airways Co., Ltd. wishes to open air service between Japan and China, noting that the company has already obtained support from the Japanese Government and bilateral negotiations over the issue will soon take place. Li Peng said there will be no problem from the Chinese side as long as the Japanese Government supports the proposed air service and it accords with the aviation agreement reached between the two countries and is based on equality and mutual benefits.

China will support everything conducive to the contacts between the two countries, he added. Hu Yizhou, director general of the Civil Aviation Administration of China (CAAC), and Yosuke Nakae, Japanese ambassador to China, attended the meetings.

ZHANG JINGFU MEETS JAPANESE SECURITIES ADVISER

OW221052 Beijing XINHUA in English 0940 GMT 22 Aug 86

[Text] Beijing, August 22 (XINHUA) -- Chinese State Councillor Zhang Jingfu met with Masanoir Ito, senior adviser to the Japanese Nomura Securities Co., Ltd., here today. Last year Ito was invited to be an adviser to the research centre of economic management of China's State Economic Commission. He has been visited here this time to give an academic report, namely "Japan's experience in expanding export business after the Second World War and his suggestions for China's efforts to promote exports to earn more foreign exchanges". At the meeting, Zhang and Ito exchange views on strengthening economic cooperation between China and Japan.

GENG BIAO RECEIVES BURMESE WORKERS DELEGATION

OW230152 Beijing XINHUA in English 0130 GMT 23 Aug 86

[Text] Beijing, August 23 (XINHUA) -- Geng Biao, vice-chairman of the Standing Committee of China's National People's Congress, met with a delegation from the Workers Asiayone Central Body Headquarters of Burma here today at the Great Hall of the People. The delegation, led by U Pau Khan Thang, member of the headquarters' Executive Committee and deputy minister of social welfare and labor, is the first delegation sent to China by the headquarters since it was founded in 1968. It arrived here August 20 at the invitation of the all-China Federation of Trade Unions.

DPRK ART ENSEMBLE CONCLUDES LIAONING TOUR

SK230520 Shenyang Liaoning Provincial Service in Mandarin 2100 GMT 22 Aug 86

[Text] At 0900 on 22 August, amid the deafening sound of songs and drums, hundreds of literary and art workers, youngsters, and children in Dandong City gathered at the end of the Yalu Jiang bridge to warmly say goodbye to the North Pyongan provincial art ensemble that had just accomplished its friendly visit and performances in our province.

The North Pyongan provincial art ensemble headed by Kim Chang-yong arrived in our province on 28 July. During its staying in our province, the ensemble successively visited Shenyang, Yingkou, Panjin, Jinzhou, Fuxin and Dandong and gave 29 performances for audiences of nearly 40,000 people. The splendid performances have left unforgettably beautiful impression on the people in our province.

On behalf of the provincial government, Peng Xiangsong, vice governor of the province, gave a farewell party for the ensemble at the Dandong Guesthouse on the evening of 21 August. He congratulated the ensemble on its successful performances and thanked it for its new contributions to enhancing the friendship between Koreans and Chinese.

Also seeing the ensemble off at the end of the Yalu Jiang bridge were Zheng Ping, mayor of Dandong City; (Zhang Zhong), vice mayor of Dandong City; and leading comrades of the provincial Foreign Affairs Office who accompanied the ensemble on their visit to the province, including Deputy Head Zhao Ziliang.

PENMIN RIBAO ON VIETNAM'S OCCUPATION OF CAMBODIA

HK221257 Beijing RENMIN RIBAO in Chinese 20 Aug 86 p 6

[Article by Liu Zhengxue: "Irreversible Is Crazy Talk"]

[Text] The Vietnamese-planned 13th "Indochinese Foreign Ministers Conference" ended hastily in Hanoi on 18 August. During the conference, Vietnamese Foreign Minister Nguyen Co Thach, acting like a king, talked at great length about consolidating peace and stability in Southeast Asia. But when it came to the Cambodia issue, he stuck to his old, obstinate stand and asserted that the revitalization and development of Cambodia was "irreversible."

As everyone is aware, Vietnamese troops have occupied Cambodia for 8 whole years. Over the past 8 years, the Vietnamese authorities have exercised brutal colonial rule over the Cambodian people. Battles on Cambodian soil have not stopped, and fields and gardens have been laid waste. In addition, a large number of Vietnamese immigrants keep flooding in and tens of thousands of Cambodians are forced to leave their homelands. Vietnam's act of aggression has brought serious disaster to the Cambodian people and, in the meantime, is a threat to peace and security in Southeast Asia. Such being the case, what right does Vietnam have to talk about consolidating peace and stability in Southeast Asia and revitalizing and developing Cambodia?

Nguyen Co Thach's assertion that the revitalization and development of Cambodia is "irreversible" is aimed at forcing international public opinion to admit the "legality" of Vietnam's occupation of Cambodia and to allow it to decide Cambodia's destiny. This the Cambodian people absolutely will not accept. The revitalization and development of Cambodia should be carried out by the Cambodian people themselves. Not long ago, the Coalition Government of Democratic Kampuchea, out of consideration for putting an end to the miserable situation in Cambodia, put forward an eight-point peace proposal for settling the Cambodia issue by political means. This proposal, reasonable and flexible, takes the overall situation into account, will help settle the Cambodia issue fairly and by peaceful means, and is beneficial to promoting peace and stability in Southeast Asia. Therefore, most countries in the world support it. It even maintains that the Coalition Government of Democratic Kampuchea is weak and easy to bully. It has really miscalculated the situation.

Vietnam's armed aggression against Cambodia has landed it in a state of destitution. The Cambodian patriotic forces have strengthened their unity and gone deep into the hinterland to engage in a protracted war. They have won support from the people and are growing in strength. Whereas the Phnom Penh puppet regime is swaying in the midst of raging storms, puppet troops deserting and crossing over to the just side. How arrogant the Vietnamese aggressors were at the beginning of their aggression. Now the situation is turning in a direction unfavorable to the Vietnamese aggressors and favorable to the Cambodian patriotic resistance forces. This situation is irreversible because it is a law of just forces resisting unjust forces. For reactionaries going against the trend of history, what is irreversible is their final failure.

FOREWORD TO VIETNAM'S HOANG VAN HOAN'S MEMOIRS

OW212330 Beijing in Vietnamese to Vietnam 1400 GMT 18 Aug 86

["Forward" to Hoang Van Hoan's Memoirs: "A Drop of Water in the Ocean"]

[Text] The Vietnamese Revolution -- which lasted from 1858, when the French colonialists attacked and occupied Danang, to 1975, when the last imperialist stronghold of Saigon was totally liberated -- lasted 117 years. During that long period, the Vietnamese people lived under harsh imperialist oppression. It was also during that long period that the Vietnamese people resolved to fight to win back their fatherland's independence. When one movement was crushed, another emerged. When those in the front rank fell, those behind them kept surging forward. Millions of people were tortured and repressed in prisons or sacrificed their lives in combat.

Finally, President Ho, applying the principles of Marxism-Leninism to the actual conditions in our country and adopting a correct revolutionary policy, succeeded in rallying all patriotic forces of our people and in winning the sympathy of the world's progressive people. The Vietnamese Revolution reached its final objective, and Vietnam was truly liberated and reunified.

As a citizen of a country under foreign domination, in the course of seeking to understand the revolution, I was heavily influenced by elder Vietnamese revolutionaries such as Truong Cong Dinh, Phan Dinh Phung, Hoang Hoa Tham, Phan Boi Chau, and Phan Chu Trinh. Finally, educated by President Ho, I directly participated in revolutionary activities since 1926.

However, during many decades of revolutionary activities, I had never thought about of writing memoirs. During the years I worked in Hanoi, the CPV Central Committee Department of Research on Party History often reminded me to write my memoirs so as to record my activities as part of the party's activities. I did not want to write them because my contribution to our revolution is comparable to a drop in the ocean.

However, in the more than 20 years that I worked close to Le Duan, I was well aware that he was a plotter who placed his personal and factional interests above those of the nation. Particularly in the years before and after President Ho's death, I was well aware of his wicked, dangerous activities, such as usurping party power, distorting historical facts, mobilizing all forces to oppose China, and invade and occupy Cambodia -- everything that signifies betraying Marxism-Leninism, our people's revolution, and their interests and those of their fatherland. Being aware of all that, I deemed it necessary to write my memoirs.

In writing them, I mean not only to tell of my extremely small contribution to the revolution, but primarily of President Ho's lines, policies, and work in different periods of activity as viewed through a number of concrete facts. Meanwhile, I point out a number of truths in the revolutionary course that Le Duan deliberately concealed, blurred, or distorted, so that in the future, people interested in the Vietnamese Revolution can use them as a reference and will not be fooled by Le Duan's unprincipled ghost writers.

These memoirs consist of seven parts:

1. On the Road Toward the Revolution. This part was written at the request of the Office of Traditions of my native village of Quynh Doi in Quynh Luu District, Nghe An Province. It was sent to the village Office of Traditions and the Nghe Tinh Board of Research on Party History, and its contents remain unchanged except for the change of the words "Da Thai" into "To Thai" in a couplet written to pay homage to a friend's mother. This change will be explained when reference is made to the couplet in this part.
2. The Years and Months of Revolutionary Activities in Siam.
3. The Years and Months of Revolutionary Activities in China.
4. The Years and Months Before and After the August Revolution.
5. The New Tasks and the Shift to a Number of Tasks Abroad.
6. The Years and Months of Activities as a Representative of the Government and the Party Central Committee in China.
7. Vietnam's Revolution Under the Traitor Le Duan. This part reveals the truth about the process of transformation of a revolutionary into a traitor of the revolution, and its internal and external causes.

The internal cause is that Le Duan refused to transform himself in order to serve the interests of the revolution, but wanted to take advantage of the revolution to elevate his position and fame, paying no attention to the people's lives while trying to use the people's strength to turn Vietnam into a regional ruling power.

The external cause is the fact that a number of Soviet leaders, imbued with great-nation chauvinism, resorted to all kinds of maneuvers to force countries in the great socialist community and fraternal parties to comply with their line and policies. Those who disobeyed them would be criticized and their internal organization would be split. These Soviet leaders supported this group and dethroned others and sometimes resorted even to military force to exert pressure with a view to ruling the world. To this end, the Soviet leaders used Le Duan in their attempt to build a powerful military base in Indochina to oppose China and expand Soviet influence to the South Pacific and Indian Ocean.

In addition to the third part, an appendix contains my brief personal history and a number of my specific activities.

I wrote these memoirs while pondering on many other important matters. Due to the lack of original documents available only in my country and to my limited health, I could present only the major features in a brief and concise manner. Later, when I have an opportunity to find fuller reference documents and a better environment, I will write a supplement.

I. 25 Aug 86

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I wrote these memoirs to show my extreme respect and love for the older revolutionaries and all those unknown heroes who laid down their lives in the struggle for independence and social progress in Vietnam during more than a century. At the same time, these memoirs were written to show my gratitude to international friends for sympathizing with and supporting Vietnam in the struggle for national liberation.

I wrote these memoirs to show my love for an old friend who participated in the revolution since 1929-1930 and for my son, my daughter-in-law, and my three grandchildren, who are still suffering from the Le Duan clique's persecution at home.

In the course of my writing of these memoirs, I was supplied by the various organs of research on Vietnam in Beijing with a number of reference documents, including Vietnamese-language publications which they have kept; original documents of the Kuomintang on President Ho Chi Minh's activities during his stay in Liaozhou in 1942-1943, his meeting with U.S. Air Force commander [name indistinct], and his other activities in Kunming in 1945; documents on the Vietnamese-French talks in Fontainebleau in 1946 and on the Vietnamese-American negotiations in Paris in 1968-1972; and so forth. These reference documents are extremely important. They served as a solid basis for me to put down in my memoirs clear and complete facts which, previously, I had only known roughly.

To me, this was wholehearted and very valuable assistance.

On the occasion of the publishing of these memoirs, I wish to express here my profound and sincere gratitude.

PRC ACCUSES INDIA OF MILITARY INCURSIONS

BK231254 Hong Kong AFP in English 1237 GMT 23 Aug 86

[Text] Beijing, Aug 24 (AFP) -- China accused India Saturday of carrying out military incursions into Chinese territory.

"The Indian side crossed the line of actual control in some areas in an attempt to further nibble away at Chinese territory and create new areas of dispute," the PEOPLE'S DAILY said.

The official Communist Party newspaper said in a front-page article that the incursions were by land and air. It did not say where or when they occurred.

The PEOPLE'S DAILY, citing the CHINA NEWS SERVICE, said that despite frequent warnings from China, India continued to follow an "expansionist policy."

Western diplomats here noted it was the first time in several years that China has been the first to accuse India of territorial violations.

"Until now, China was satisfied with strongly rejecting Indian accusations," one diplomat said.

The PEOPLE'S DAILY also said that recent accusations by New Delhi that Chinese troops have encroached into Indian territory were "groundless."

Last month, New Delhi said Beijing had moved about 40 Chinese troops into remote Arunachal Pradesh state in June.

China strongly rejected the Indian accusations, saying that no Chinese troops have penetrated Indian territory.

That dispute came several days before the seventh round of Sino-Indian border talks opened in Beijing on July 21. Those talks adjourned without making any progress towards resolving border disputes between the two countries.

Beijing rejects the McMahon Line drawn by the British along the Himalayas in 1914 as the Sino-Indian border. India accepts the McMahon Line as the frontier between the two countries.

China claims that India illegally occupies 90,000 square kilometers (34,000 square miles) of land on the Indian side of the (15,670 square miles) on the Chinese side.

The first border talks between the two countries were held in December 1981, but little progress has been reported.

The two countries broke diplomatic relations for 14 years following 1962 Sino-Indian border clashes.

CONVICTED KUOMINTANG SPIES INCLUDE U.S. CITIZEN

OW231144 Beijing XINHUA in English 1117 GMT 23 Aug 86

[Text] Beijing, August 23 (XINHUA) -- A Kuomintang spy ring was uncovered here and four spies were recently convicted, a spokesman for the Ministry of State Security announced here today. The case was handled by the Beijing and Hangzhou Intermediate People's Courts and ruled by the High People's Courts in the two cities. Roland Shensu Loo, 67, an American citizen, was sentenced to 12 years of imprisonment, said the official.

Ning Nianci, 42, a woman engineer of the Beijing Construction Engineering Institute, was sentenced to 10 years of imprisonment and deprived of political rights for three years. Her husband, Yu Defu, 48, director of the Beijing Science and Education Film Studio, got a three year prison sentence, with political rights deprived for one year, said the official. In addition, Zhu Junyi, 43, a resident of Hangzhou City in Zhejiang Province was sentenced to 10 years imprisonment, with political rights deprived for three years.

Loo came to China in 1984 and 1985 and collected a large amount of intelligence provided by Ning Nianci and her husband Yu Defu, who covered Loo while he spied, said the official. In March, 1985, Loo came to know Zhu Junyi, and in November the same year, recruited Zhu into his spy ring. The arrests were made after careful surveillance in Beijing and Shanghai, and Zhejiang, Jiangsu and Henan Provinces, and they pleaded guilty when confronted with overwhelming evidence, said the official.

Evidence proved that Roland Shensu Loo carried out spying activities under the direction of Yang Peng (Edward Yang), a Kuomintang spy in the United States and a spy of the Sino-American Cooperation Organization, said the official. This organization, under Kuomintang and U.S. authority, maintained a concentration camp in Sichuan Province, before liberation, where 300 communists and other patriots were massacred.

Yang received special training from U.S. spy organizations before he went to Tokyo and Hong Kong to carry out his activities, later emigrating to the U.S. in 1980, said the official. Yang spied, while working as a professor at the University of California, using several names, including Yang Chongzhe, Yang Zongshan and Ning Bide. During this time he was under the direct leadership of the Taiwan Military Intelligence Agency.

Security Ministry Spokesman on Case

OW231318 Beijing XINHUA Domestic Service in Chinese 1125 GMT 23 Aug 86

[Text] Beijing, 23 Aug (XINHUA) -- A spokesman for the Ministry of State Security announced here today that state security organs in Beijing, Shanghai, and Zhejiang, Jiangsu, and Henan Provinces, after careful surveillance, have cracked a case involving Kuomintang spies from Taiwan and have arrested Shensu Loo, Ning Nianci, Yu Defu, and Zhu Junyi after obtaining a large amount of evidence on their spying activities. They were recently tried and convicted by the Beijing and Hangzhou intermediate courts. The case was ruled by the High People's Courts in the two cities.

Shensu Loo was sentenced to 12 years imprisonment; Ning Nianci was sentenced to 10 years imprisonment and deprived of political rights for 3 years; Yu Defu was sentenced to 3 years imprisonment, with political rights deprived for 1 year; Zhu Junyi was sentenced to 10 years imprisonment, with political rights deprived for 3 years.

Spy Shensu Loo, male, 67, is an American citizen from Los Angeles, California; Ning Nianci, female, 42, was a female engineer of the Beijing Construction Engineering Institute; Yu Defu, male, 48, was director of the Beijing Science and Education Film Studio; Zhu Junyi, male 43, is a resident of Hangzhou City in Zhejiang Province.

According to the announcement, Shensu Loo carried out spying activities under the direction of Yang Peng, a Kuomintang spy of Taiwan in the United States and a spy of the "Sino-American Cooperation Organization" before liberation. After he fled to Taiwan, he received special training from U.S. spy organizations before he went to Tokyo and Hong Kong to carry out his activities. He emigrated to the United States in 1980 and is now a member of the Taiwan Military Intelligence Agency stationed in the United States. Yang Peng, while working as "professor" at the University of California, carried out spying activities under several names, including Yang Chongzhe, Yang Zongshan, and Ning Bide.

Yang Peng sent Shensu Loo to China in 1984 and 1985 to carry out spying activities. Used and directed by Yang and Loo, Ning Nianci provided them with a large amount of intelligence on several occasions. Not only did Yu Defu, husband of Ning Nianci, have full knowledge of Shensu Loo and Ning Nianci's spying activities, but Yu Defu also created conditions for his wife's spying activities and supplied intelligence to Ning Nianci and Shensu Loo. Zhu Junyi came to know Shensu Loo in March 1985. In November of the same year, Shensu Loo, carrying out a plan arranged by Yang Peng, went to Zhejiang in the company of Ning Nianci to recruit Zhu Junyi as a spy. Zhu Junyi also provided a large amount of intelligence to Shensu Loo.

The ministry spokesman said: This case was cracked with the support of and coordination between, the relevant departments, cadres, and the masses. Some people not only saw through Yang Peng and Shensu Loo's hypocrisy and tricks but also exposed their conspiratorial activities.

SHANGHAI CARTOONIST ON LEADERS' CARICATURES

OW231830 Shanghai JIEFANG RIBAO in Chinese 16 Aug 86 p 1

[Dispatch by correspondent Chen Pengju]

[Text] Ding Cong, a well-known cartoonist, said in Shanghai yesterday that the caricatures of two party and state leaders at the 1986 Shanghai Caricatures Exhibition contest are of historical significance. He said this when speaking to Shanghai's cartoonists at the opening of the exhibition contest.

The two caricatures that caught the people's attention were "China Card" drawn by Zhang Weiping, and "Comrade Yaobang Leads Us in Singing New Songs" drawn by A Da. It is learned that these two caricatures of party and state leaders are the first ones to be exhibited since the founding of the PRC.

Ding Cong said, these two pieces are "specially exciting." The works of A Da and Zhang Weiping have blazed a new trail. Their contribution will be recorded in history." His remarks won delighted applause from the cartoonists. As Ding Cong spoke, Hua Junwu and Jiang Fan, who had made special trip to Shanghai to watch the exhibition contest, as well as Shanghai's famous cartoonists Zhang Leiping, Te Wei, and Cai Zhenhua were listening.

The 1986 Shanghai cartoon exhibition contest was jointly sponsored by the Shanghai Chapter of the Chinese Artists Association, JIEFANG RIBAO, WEN HUI BAO, XIN MIN WAN BAO, WENXUE BAO, and MANHUA SHIJIE.

JIEFANG RIBAO ON WORKERS AND CARICATURISTS

OW231836 Shanghai JIEFANG RIBAO in Chinese 18 Aug 86 p 2

[Newsletter by JIEFANG RIBAO reporter Chen Pengju, entitled: "Workers, Caricaturists, and Leaders in Caricature"]

[Text] A Da, a man making the headlines in the 1986 Shanghai Caricature Contest and Exhibition, was given a rousing welcome at the Hudong shipbuilding yard yesterday. Workers told him: "Thank you for portraying the leaders in your caricatures. They have shortened the distance between the leaders and us. Wearing glasses, A Da had a plump figure. He was all smiles when he heard the workers' remarks.

A Da visited the Hudong shipbuilding yard together with a dozen other caricaturists including Hua Junwu. At a forum, the representatives of workers and cadres noted the tremendous response in the shipbuilding yard that had been evoked by the pictorial section of a JIEFANG RIBAO edition a few days ago which covered the Shanghai caricature contest and exhibition. After learning that the majority of workers had shown understanding and enthusiasm for the two caricatures of leaders, caricaturist Ding Cong could not help but turn around and tell A Da: "Look, there are so many workers who understand and support you. How good it is!"

Hua Junwu, vice chairman of the Chinese Artists Association, also spoke highly of the bold exploration made by A Da and others. He said: "These caricatures are good. This is a commendable breakthrough, and an excellent beginning!"

"I too do not understand how I can become a man in the news all of a sudden. I must thank the favorable situation for this." This first remark made by A Da evoked a hearty laughter among those present. However, he himself calmly narrated his "adventurous experience" as if nothing happened. He said: About a year ago, Comrade Lin Fang wrote some articles on the subject: "Caricature and Democracy." These articles had made him, a person who "had always loved to draw portraits in caricature," eager to try something. In November last year he published a caricature entitled: "Premier Zhao Clinks Glasses With the United Nations" in MANHUA SHIJIE [Caricature World]. He kept on publishing one caricature after another after that. In MIN ZHI YU FAZHI HUA BAO [3046 0031 5280 3127 0455 3973 1032 DEMOCRACY AND LEGAL SYSTEM PICTORIAL], he published caricatures portraying Deng Xiaoping, Hu Yaobang, Deng Yingchao, Peng Zhen and other leaders one after another. "At that time there was not much response. But this time the caricatures were carried by JIEFANG RIBAO. The response was so tremendous that it really surprised me," A Da added. Ding Cong burst into laughter, saying: "I did not realize that you had been thinking about this for such a long time!" A Da nodded and said yes.

On the composition of the caricature: "Comrade Yaobang Leads Us in Singing New Songs", A Da said: I am extremely pleased with the gesture and movement of the character in the caricature. They show that the person is full of passion, vigor and optimism. I had made several drafts for this caricature, but this one is more 'caricatural' than the others. However, I do not know Comrade Yaobang well. I made this caricature mainly by relying on photographs and TV pictures.

CPC DEPUTY PROPAGANDA CHIEF ON PRESS REFORMS

HK221458 Beijing RENMIN RIBAO in Chinese 20 Aug 86 p 3

[Report: "Teng Teng, Deputy Director of Propaganda Department of CPC Central Committee, Speaks on Press Reforms"]

[Text] According to today's ZHONGGUO BAKAN BAO [CHINESE PERIODICALS JOURNAL]; speaking at the national provincial papers' editors in chief seminar, Teng Teng, deputy director of the Propaganda Department of the CPC Central Committee, said: The domain for press reforms is very vast. The press people should free their minds and dare to innovate. What the newspapers publish and do not publish should henceforth be decided by the newspaper offices themselves. Party committees at all levels should improve their leadership over party papers and give the newspaper offices a free hand to carry out press reforms in order to bring into full play the party papers' role as ears and mouths.

This seminar was held in Harbin from 9 to 15 August. Everyone agreed that since the 3d Plenary Session of the 11th CPC Central Committee, party newspapers have achieved definite results in press reforms. However, owing to the influence of old thinking and patterns, there are still problems that await examination and resolution, and they are mainly the following: Some party committees and leaders are not good at managing and operating newspapers according to press regulations and at times make things very difficult for the newspaper offices with their stringent controls; influenced by the "rather 'left' than right" ideology prevalent during the "Cultural Revolution," the newspaper offices "set up their own gods" and self-imposed many "restrictions," resulting in lifeless-looking papers; one-sided understanding of the party papers' role as eyes, ears and mouths, and negligence of propaganda effect, covering the front page with conference news which makes it unappetizing to the readers; the newspapers depend mainly on "old ways" for circulation and thus lose out in the growing competition in the press business.

At the seminar, the editors in chief reviewed Comrade Hu Yaobang's talk about journalism last 8 February. They believed that in order to intensify press reforms, it is necessary to ascertain that the socialist nature of party papers will not change. Under this premise, it is necessary, on one hand, to emphasize that party committees at all levels handle matters according to press regulations, take note to continuously improve and strengthen guidance over newspaper work, be "enlightened", and refrain from too much intervention. They should encourage everyone to make bold explorations and thus create a relaxed and harmonious environment. On the other hand, it is imperative to stress that newspaper offices emancipate themselves and dare to break away from old ideas and patterns. They should not be obsequious to superiors or to dogma, but should renovate paper layouts and make the newspapers the good teacher and helpful friend of the readers.

Editor Discuss Needed Reforms

HK220945 Beijing RENMIN RIBAO in Chinese 19 Aug 86 p 1

[Report by XINHUA reporter Zhang Chijian [1728 2170 1017]: "Provincial Newspaper Editors Hold Forum Under the Auspices of the CPC Propaganda Department"]

[Text] Most of the more than 30 newspaper editors in chief in provinces and municipalities across the country are not quite satisfied with their own newspapers and think that their newspapers are not in keeping with the situation of reform and opening up. At a forum of provincial newspaper editors in chief hosted by the CPC Central Propaganda Department, the participants placed their hopes in journalistic reform to improve their newspapers.

The forum was held in Harbin. The editors in chief held that in order to keep in line with the situation of reform and opening up, it is imperative to increase the volume of information and extend the coverage scope. In particular, the seething creative activities of the broad masses of people in the four modernizations should be fully reflected in newspapers, so that readers will be enlightened and encouraged and will plunge themselves into the streaming current of reform. Therefore, great efforts should be made to cut general information, improve and reduce reports on meetings, and reduce reports on general activities of leading cadres so that newspapers will be vigorous and full of vitality.

The editors in chief also put forward that newspapers should reflect more about the demands and wishes of the masses. The masses of people are the masters of our country and newspapers should become places where they can air their views, discuss questions, put forward remarks on contending topics, and make explorations. In this way, the party will be able to better understand the thinking of the masses and newspapers will be immersed in an atmosphere of democracy, acting as a bridge between the party and the masses.

The reform of newspapers should first of all depend on the newspaper's staff. The editors in chief held that editors and reporters should further emancipate their minds, study harder, improve their qualities, and conscientiously, energetically, and creatively engage in their work. Besides, party committees at various levels should follow the laws of journalistic work, strengthen and improve leadership over the party's newspapers, and create a favorable environment for reforming newspapers. The broad masses of readers should also change outdated notions in reading newspapers, and show concern and give support to the reform of newspapers.

Teng Teng, deputy head of the CPC Central Propaganda Department, also attended the forum. While in discussion with the editors in chief, Teng Teng said that the reform of newspapers should progress in the course of exploration. He hoped that editors and reporters would raise their theoretical and professional levels and, in the new historical period, make the party's newspapers more readable, reliable, and closer to the readers and become the readers' bosom friends.

HU YAOBANG ON MAO, LIN BIAO IN NEW FILM

HK240728 Hong Kong TA KUNG PAO in Chinese 24 Aug 86 p 3

["Special Dispatch": "Hu Yaobang Discusses Filming the Three Great Campaigns"]

[Text] China has planned to present on the screen the famous "three great campaigns," namely, the Liaoxi-Shenyang campaign, the Beijing-Tianjin campaign, and the Huaihai campaign, which took place during the War of Liberation. The writing group for the three great campaigns has already been formed. Hu Yaobang, general secretary of the CPC Central Committee, gave specific instructions to the group on creation of the work.

Issue No 7 of SCREEN carried Hu Yaobang's speech.

Lin Biao's Achievements and Errors

The writing group said: At first we hesitated about Lin Biao's appearance in an artistic work. Now that he can appear in the film, how should he be depicted? In our opinion, we should acknowledge both his merits and mistakes. During the Liaoxi-Shenyang campaign, he made two mistakes. Lin Biao wavered and inclined to the right. In addition, he refused to carry out Chairman Mao's strategic plan and instruction on advancing south to Beijing and Liaoning and attacking Jingzhou. When Chairman Mao and the Central Military Commission sternly criticized him, he changed his idea and scored successes in directing the campaign. Is it right to depict Lin Biao by using the method of one dividing into two?

Hu Yaobang replied: Yes. It is right. But his ugly characteristics should not be described in detail and he should not appear too much on the screen. He can appear on certain occasions in the Liaoxi-Shenyang campaign. The Beijing-Tianjin campaign, which took place later, was actually conducted by two field armies with the cooperation of Nie Rongzhen from the Shanxi-Chahar-Hebei area.

You should also write about the 1 million carts which followed the 4th Field Army southward. The momentum of the 1 million carts carrying army provisions manifested the enormous support of the masses. Some 2-3 million people took part in transporting ammunition, grain, and fodder for the Army with 1 million carts. The northeast had an abundance of large animals. The story manifests the strength of the people.

The writing group said: There is a question concerning the description of the international background. For example, the United States supported the Chiang Kai-shek regime, but during the three great campaigns, it blamed Chiang Kai-shek for personally taking command and making arbitrary decisions and intended to remove him from office.

Hu Yaobang said: You can write something about the United States. If the United States is not mentioned in the war, it would not tally with the historical facts.

The Scenario Need Not Be Sent to the Higher Authorities for Examination

The writing group said: There is a question concerning the examination of the scenario. According to the decision of the Secretariat of the CPC Central Committee, the scenario of the three great campaigns, which is a significant theme, should be sent to the Secretariat of the CPC Central Committee for examination...

Hu Yaobang said: Not definitely. The film "Descending Zhongshan in a Storm" was not submitted to us for examination. A work should show its sober self and be examined in a calm manner. You can clearly tell whether it is good or not. How many persons are included in the headquarters?

They answered: The five secretaries of the headquarters are Mao (Zedong), Li (Shaoqi), Zhou (Enlai), Zhu (De), and Ren (Bishi).

Hu Yaobang said: The five secretaries -- Mao, Liu, Zhou, Zhu, and Ren -- were united and they discussed matters together frequently. Democratic life was normally maintained at that time and unity of thought had to be reached on all major issues.

You should portray the inner world of Chairman Mao. Instead of practicing apriority, Chairman Mao conducted investigations and studies. He adapted himself to changing conditions and acted according to circumstances. Chairman Mao never stopped thinking even when he was walking. Besides eagerness to learn, he pondered problems again and again. When he could not get his thinking straightened out, he would lose his temper. When a problem was solved, he would joke with you humorously. He would lose his temper if anyone disturbed his train of thought. When he was thinking about the question of whether we should dispatch troops to Korea or not, he remained silent and did not shave for a whole week. Chairman Mao did not shave off his beard until he straightened out his thinking, held a meeting, and reached a common understanding.

Mao Zedong Loses His Temper

Chairman Mao lost his temper when someone disturbed his train of thought. When he was thinking about a problem, he would get angry if disturbed by anyone or an incoming telegraph. If his thinking straightened out, he would smile, eat, dance, and joke with you humorously. But he would go back to his thinking after 2 or 3 days. He would concentrate on thinking through problems again. Chairman Mao had an active character. Naturally, a person's character can be exaggerated a bit. However, we should also take note of the things that are militarily, strategically, and politically valuable.

RENMIN RIBAO ON CORRECTING PARTY STYLE

HK220758 Beijing RENMIN RIBAO in Chinese 20 Aug 86 p 1

[Commentator's article: "Comment on Xinhe County's 'Painful Experience'"]

[Text] By investigating and dealing with cases and resolutely curbing evil practices, Xinhe County in Nei Mongol Autonomous Region has greatly improved its party style. Both the regional Discipline Inspection Committee and leading comrades of the Central Discipline Inspection Commission have highly evaluated it. [paragraph continues]

However, with the improvement of party style, comrades in Xinhe County are now experiencing something painful: Some professional departments at high levels, the departments in charge of money and goods in particular, have come to the county less frequently. Meetings which should have been held in Xinhe County and funds which should have been done for the county were not done. Consequently with the improvement of party style, Xinhe county is now having a hard time.

Why is it a "painful experience?" Such things as cancelling the allocation of funds and refusing to do things for the county without giving notification have left no trace of putting up obstacles. So Xinhe County "is compelled to suffer in silence." The reason is that with the improvement of party style in the county, there will be no extravagance, no dinner parties, and no gifts. So the county is deprived of what it should have.

Rapid improvement of party style is an example. At present, examples should not get along by their fame and ask for this or that from higher authorities just as some examples did in the past. They should do everything in an upright way and have an unyielding spirit. It seems that Xinhe County has an unyielding spirit. After the county was hit by natural disaster, people in the county donated their own money and grain to help disaster areas. They also raised funds for developing construction projects. The units which have greatly improved party style are the party's good sons, not abandoned babies on the roadside, so how can some professional departments at higher levels disregard them? Is it fair? If so, who will be willing to correct party style?

From Xinhe County's painful experience, we can see that some people have assumed an ambiguous attitude toward correcting party style. They pay lip service to criticizing evil practices, but like such evil practices at the bottom of their hearts. When party style is corrected, and no good wine and food are served, no gifts are given, and no benefit can be taken, they disappear. Xinhe County is not the only case. Wherever there are evil practices, visitors come and some even go a long way to take benefit. Wherever party style is corrected, visitors are few and far between, and even immediate superiors are unwilling to visit. This reminds us that not everybody really likes correcting party style and that there are indeed some people who treat evildoings as good things. This is exactly the problem which should first be resolved in correcting party style.

Xinhe County's painful experience also tells us: Correcting party style is a systematic work, which is not the undertaking of an individual at one time and in one place, but the undertaking of the whole party. It involves many aspects and calls for overall work. Party style should be corrected at both high and low levels and in all units. If we are content with grasping one or two examples and with summing up some experiences, but cannot bring about an overall improvement of party style, and cannot improve party style in most areas and units simultaneously, our work is far from successful, and the good examples in correcting party style cannot last long.

The CPC Central Committee proposed that party style should be corrected resolutely and protractedly. The short term requirement is to spend 2 years seriously grasping improvement of party style. It appears that we should not overestimate our results in correcting party style. Only when the units which have corrected party style do not have painful experiences similar to Xinhe County's can we say great results have really been achieved in correcting party style.

RENMIN RIBAO COMMENTATOR ON OPEN POLICY

OW241854 Beijing XINHUA Domestic Service in Chinese 1408 GMT 24 Aug 86

[RENMIN RIBAO 24 August Commentator's Article: "Advance Against Pounding Waves"]

[Text] Beijing, 24 Aug (XINHUA) -- The policy of opening to the outside world has made us sail out of the harbor and enter a turbulent ocean of world civilization. Surging tides roar toward us, and become huge shock waves.

In face of these pounding waves, what is our situation? Guangzhou is in the forefront of the area open to the outside world. It really bears the brunt. The information brought in by our reporter from Guangzhou is a typical example. It indicates: Our country and people are able to withstand the pounding from outside, and the socialist system has not been built on sand. It will never collapse when it is battered. It has ample inherent vigor to counter all challenges.

This kind of inherent vigor can only be excited in the course of opening the country to the outside world, and can only appear in the course of withstanding the pounding by waves. On the other hand, the open-door policy also gives us the strength to withstand the pounding. The two aspects cannot be separated. It should be said that this is a very meaningful phenomenon. It is the original dialectical reflection of things. Why are we pounded in the course of opening ourselves to the outside world? The reason is: We were too closed in the past. We lack the tempering and the minimum immunity we need. The pounding brought in by the open policy has made us more sober-minded. We have realized our own weaknesses and deficiencies after failing initially to exert ourselves in resisting such pounding. We have thus carried out the appropriate reforms. This kind of sensible attitude is precisely why we are able to withstand any pounding. Overall reform itself is the fundamental method in strengthening the socialist system. The open policy promotes reform, and only by making reform will it be possible for us to withstand the storm brought in by the open policy. The report from Guangzhou has proven this point.

Due to the superiority of the socialist system and the display of the superiority of socialism as a result of the reform, the pounding from outside is unable to shatter us. It may even be used by us to become a force to push the ship of socialism forward. In the course of making reforms, we are able to learn what is advanced in economic development and in technology. At the same time, we are able to draw on what is healthy and useful from Western culture. If all this should be considered as a pounding too, then it is the kind of pounding which pushes us forward.

In fact, it is precisely against this kind of pounding of waves that China has been advancing in modern times. The open policy adopted at the end of the Qing Dynasty was one of humiliation which was announced under the attack by the naval guns of the imperialist powers. Even under this kind of situation, the open policy also gave a new lease on life to our country caught up in a deep sleep. The Western learning that had been passed on to the East as well as the influence of the Western culture and civilization had failed to destroy the ancient civilization of the East. They had filled it with a new life. The import of advanced ideology and technology from the West had naturally pushed China's historical process slowly forward.

Even the so-called "spiritual opium" had also brought about results that the missionaries had not expected. It had become the banner of the Taiping Heavenly Kingdom to call on the people to oppose imperialism and feudalism. Later, Marxism had spread into the country.

It is like the rising sun, while the open policy in the past should be regarded as the grey dawn in the east. In the 80's of the 20th century, our socialist system is as firm as a rock and the initiative of historical development is held firmly in the hands of the party and people. What are we afraid of in the efforts to take the initiative to actively and constructively open the door to the outside world?

A modern scientific theory tells us: The internal disorder of a closed system keeps increasing, but the contrary is true of an open system. This theory has been successfully applied to the study of social status. Marxism itself is an open theoretical system. The secret of its ability to retain its youthful spirit continuously is right here. Things will become ossified with the door closed, while flies may be let in when opening the door as will fresh air. Do living beings allow the flies to eat themselves away? It is only the putrid corpses that are the captives of flies. The rotten sampan half-trapped in the sand along the shore will be shattered by the pounding waves. Did the wheel of socialism successfully withstand the 8th-grade storm? The pounding by waves is a stimulus and a challenge. It may frighten people and excite them; however, it also conveys a message that makes people wise and rich in experience. Practice indicates: We may not only develop socialist material civilization by opening the country to the outside world, but also develop socialist spiritual civilization by opening the country to the outside world. In the course of developing socialist spiritual civilization, we can not only combat the negative and harmful factors brought in by the open policy, but also draw on what is healthy and useful from Western civilization. We can not only withstand the pounding, but advance against the pounding waves. History has already proven this point. The report from Guangzhou only provides us with another example.

LI JIJUN ON NEW STAGE OF PLA MODERNIZATION

OW241230 Beijing XINHUA Domestic Service in Chinese 0731 GMT 23 Aug 86

[By reporter Xu Jingyao; Beijing XINHUA Domestic Service in Chinese at 1505 GMT on 23 August carries a "public notice" requesting that the following item be "put off temporarily."]

[Text] Shijiazhuang, 23 Aug (XINHJUA) -- At a time when we are carrying out the PLA's structural reform, historical changes have taken place in the Army as field armies are being transformed into army corps.

This reporter recently visited a mechanized army corps -- the first for the Chinese PLA -- stationed somewhere in North China. I got the impression that professional and technical arms have become the backbone of the Army and that gone forever are the days when the infantry consisted mainly of foot soldiers. Right now, there is one specialist or technician in every two soldiers, and foot soldiers only account for about one-fifth of the men. The history of this army corps can be traced to the time when our Army was first born. Such changes epitomize the Army's modernization and standardization program. The Army which consisted mainly of foot soldiers in the past, is now composed of infantry, artillery, armored and air forces, signal, antiaircraft, antichemical and engineering units as well as corps specializing in electronic warfare. It covers more than 370 fields of science and technology with laser, radar and meteorological equipment, and computers. It also must master more than 200 different types of techniques.

On a military exercise field today, this reporter witnessed a magnificent view of soldiers. They no longer wear thick Army shoes and march on foot. They ride in armored cars. On the average, there is one motor vehicle, armored carrier, or a tank for every six soldiers. This means that our troops can maneuver four to six times faster than before. In carrying out reconnaissance activities, we no longer rely on capturing enemy soldiers to get information, but use radio, radar, aircraft, and other modern weapons. In fighting, we no longer rely on rifles and artillery only. In the air, we use electronics equipment to interfere with enemy radar and radio stations and destroy the enemy's command system. From the air, the air force of the army supports the ground forces. On the ground, a large number of tanks are used for offense and defense. In addition, a computer system is used to command and coordinate all operations -- ground or air -- with large-caliber artillery pieces and missiles providing the bulk of the army corp's firepower.

The Army Corps is PLA's new form of military operation in the course of carrying out its structural reform. It may carry out tactical as well as strategic operations, while it may also engage in military operation on orders from higher authorities or fight campaigns independently. With regard to military training, the emphasis has been shifted from the training of a single arm to the training of a compound army, from infantry training to technical arms training, and from tactical training to military training aimed at fighting a whole campaign.

Li Jijun, commander of the army corps, said: The Central Military Commission has decided to transform the PLA's field armies into army corps capable of fighting compound warfare. This transformation is aimed at increasing the Army's ability to respond to emergencies and improving the Army's weapons and equipment. All this has shown the correct direction for Army building and indicated that our Army has entered a new stage in realizing its modernization program.

YU QIULI ADDRESSES PLA LITERARY PRIZE MEETING

OW241245 Beijing XINHUA Domestic Service in Chinese 1300 GMT 23 Aug 86

[By reporter Li Xiuqing]

[Text] Beijing 23 Aug (XINHUA) -- The second award meeting of the "PLA Literary and Arts Prize" was held today in Beijing. A total of 57 writers and artists and 37 pieces of literary and art works won prizes. Except for a few known writers and artists, 80 percent of the prize winners are young people both in and out of the Army. This vividly shows that China has ample talent in writing and creating literary and artistic works with military themes. Some 1,000 commanders and fighters as well as literary and art workers in Beijing warmly applauded when the winners proceeded to the rostrum amid light music.

Yu Qiuli, director of the PLA General Political Department as well as director of the judging committee of the literary and arts prize, spoke. He said: Creative literary and artistic works with military subjects have developed greatly in recent years. They have been graphically used to educate troops, youth, youngsters, and the masses in patriotism, revolutionary heroism, socialism, and communism. He continued: People need art, art needs the people more. We are now living in a time of great changes. Fresh things and the latest events in daily life need writers and artists to inquire into them. He hoped that writers and artists would plunge into life and create more and better spiritual food catering to the Army's rank and file and the masses.

On behalf of the China Federation of Literary and Art Circles and the Chinese Writers' Association, Jiang Xiatian and Feng Mu delivered messages of greeting. Attending the award meeting were Zhu Houze and Gao Zhanxiang; responsible persons of the PLA General Staff Department; the PLA General Political Department; and the PLA Logistics Department including He Qizong, Guo Linxiang, Zhou Keyu, Zhou Wenyuan, Cho Nam Qi; and responsible persons of branch associations of the China Federation of Literary and Art Circles.

YANG SHANGKUN, OTHERS VISIT PLA TRADE FAIR

OW250132 Beijing XINHUA Domestic Service in Chinese 1347 GMT 23 Aug 86

[Text] Beijing 23 Aug (XINHUA) -- A "Joint Export Commodity Trade Fair" sponsored by new and developing companies ended today. Contracts signed with buyers from many countries and regions amounted to more than U.S. \$40 million, doubling what had been anticipated.

Products displayed at the trade fair were mainly those manufactured by military-run enterprises, including various agricultural and sideline goods produced by soldiers carrying out the Nanniwan spirit as well as high-technology products of units engaged in space technology research. Among the products, many were well-known at home and abroad. Products such as hops, licorice roots, and leather produced by PLA Xinjiang unit farms were very popular among foreign businessmen. There were also many newly developed products with potential for further development.

In recent years, military-run enterprises, farms, and stud farms have rapidly developed the production of civilian commodities; quality of these commodities has also constantly been improved. Presently, civilian goods production accounts for half the total output value of military-run enterprises. The "Yuexian" brand electric fan manufactured by a Navy-affiliated plant has been named one of the top three electric fans by the quality inspection department of the State Economic Commission. This plant signed contracts with foreign buyers for the export of 60,000 fans at the trade fair.

During the 10-day trade fair, there were 15,000 daily visitors. Yang Shangkun, vice chairman of the Central Military Commission; Yu Qiuli, Yang Dezhi, Hong Xuezhi, deputy secretaries general of the Central Military Commission; and others viewed the exhibits on display with great zest. They encouraged the participating units to make persistent efforts to further develop production of civilian goods. Also visiting the trade fair were Ngapoi Ngawang Jigme, Zhou Gucheng, Yan Jici, Ye Fei, Liao Hansheng, Kang Keqing, and others.

Fair Closes 23 Aug

OW231731 Beijing XINHUA in English 1405 GMT 23 Aug 86

[Text] Beijing, August 23 (XINHUA) -- Contracts worth 40 million U.S. dollars were signed between China and firms from several dozen countries and regions at a defense industry export fair which closed here today. This more than doubled the targetted amount, an organizing official said.

On display were 5,000 commodities in the range of medical equipment, electronic products, machinery, chemicals, clothing and foodstuffs, as well as farm and sideline produce, produced by 500 firms, including 400 factories belonging to the People's Liberation Army. Altogether, 150,000 people, including senior Chinese Army and government officials, visited the ten-day fair.

LIAOWANG ON CHINA'S DEVELOPMENT STRATEGY

HK230816 Beijing LIAOWANG in Chinese No 32, 11 Aug 86 pp 24-26

[Article by Zhang Zhenglun: "Growth Does Not Mean Development -- Rethinking and Inquiring Into our Country's Development Strategy"]

[Excerpts] The question of development is an important problem which the governments of countries the world over and their brain trusts are very concerned. [passage omitted]

I would like to discuss our country's development strategy.

From the Second 5-year Plan following the completion of the three major transformations to the 3d Plenary Session of the 11th CPC Central Committee in the last few years of the 1970's, that is, in the more than 20 years between 1956 and 1958, our country stressed that agriculture was the foundation of the national economy, but it adopted, by and large, the traditional development strategy of giving prominence to a high growth rate and high accumulation rate (low wages) and emphasizing industrialization. Of course, it changed its development strategy a little in the last few years of the period. In the 1950's when we were blockaded by imperialists, our strategy seemed to be summarized as "closing the country to international intercourse, centralizing management, stressing growth, and preparing to fight in a war." Stressing growth means pursuing a high growth rate and preparing to fight in a war means shifting the focus of our work to construction of the third line. In rethinking such a development strategy, we find that many problems have to be analyzed, studied, and summed up from a historical point of view.

The "flexible strategy" which is adopted in other countries stresses that growth does not mean development; the key to the problem lies in enhancing the people's living standard. We should use the strategy as reference. However, the viewpoints of only developing practical technology, intermediate technology, and labor-intensive industry stressed by the strategy are unacceptable to us. If we agree with these points of view, how can we achieve our modernization? Apart from developing practical technology, we should concentrate our financial capacity, material resources, and manpower on tackling key scientific and technological problems arising from economic construction and social development. Meanwhile, we should strive to score successes in the spheres of new and high technology so as to create conditions for basing our national economy on advanced technology.

Many viewpoints in the "strategy for excessive growth" are believed to be very useful for our reference when we prescribe our development strategy. However, some viewpoints in the strategy are too exaggerated, and we cannot agree with them. For example, one viewpoint regards that microelectronics, biotechnology, oceanographic engineering, new materials, and new energy sources are all "sunrise industries" which have great vitality, but the steel, machine-building, chemical, and mining industries are all "sunset industries," which will be eliminated. [paragraph continues]

Such a viewpoint is incompatible with the present reality of our life. Even Professor Lake, a policy-making expert at Harvard University in the United States, holds: "What Americans are interested in is not to make a choice between sunrise and sunset industries, but to use sunrise technologies to transform sunset industries."

In 1983, the growth rate of investment in traditional U.S. industries was 15.6 percent for the first time in the past 20-odd years. This fact fully demonstrates that the more the revolution of new technology is spurred, the larger the investment in fixed assets of traditional industries is. The same is true of the fact that agriculture in an industrial society is more developed than that in an agricultural society. In the future information society, industry will become more developed and will work with higher efficiency. In an appeal to the Japanese Government, Japanese scholar Shige Taniseiichi warns: "The Japanese Government should by no mean rush into developing integrated circuits like a swarm of bees. The annual output value of robots, a product of new technology, totals Y80 billion but cannot catch up with that of soy sauce paste. meanwhile, the annual output value of integrated circuits packages amounts to Y600 billion but cannot reach that of bread." In his "Report Forecasting the Japanese Market Capacity in 2000," Japanese scholar Osamu Yataka points out: "The Japanese market capacity in the next 20 years will be limited to Y260,000 billion and the gross output value of nine major new technologies will not exceed 30 percent (the gross output value of microelectronic products will not be over 10 percent). Therefore, the main force spurring Japan's national economy in this century remains traditional industries and not new technology."

Thus, we must stress: High technology industry cannot replace traditional industries for the time being and the former should somewhat depend on the latter. Therefore, we should not regard traditional industries as "sunset industries." Our country should particularly study how to transform our traditional industries by means of new technology, gradually increase the proportion of new industries, make efforts to develop the tertiary industry, and properly readjust the structure of production. First and foremost, we must readjust our investment structure. For example, we must increase the investment in energy, transport, communications raw materials, and other industries while appropriately increasing the investment in agriculture and scientific and educational undertakings. At the same time, we must take appropriate measures to produce investment in the processing industry and check the increase of investment in nonproductive construction so as to invest more in technological transformation and the expansion of the existing enterprises.

In short, the key to smoothing out problems in the national economy lies in progressively rationalizing the structure of production. To achieve this, we must implement the principle of giving priority to development by intensive means so that the strategy for our country's development will be more compatible with the conditions in our country and will be more scientific.

WAN LI INSPECTS IMPROVEMENTS DURING NINGXIA TOUR

OW240522 Beijing XINHUA Domestic Service in Chinese 1316 GMT 22 Aug 86

[By Central People's Broadcasting Station reporter Pan Mengyang and XINHUA reporter Ma Yuqi]

[Text] Yinchuan, 11 Aug (XINHUA) -- During his inspection in the Ningxia Hui Autonomous Region 20-21 August Wan Li, member of the CPC Central Committee Political Bureau and State Council vice premier, hailed the gratifying development in the region's mountainous areas.

He urged the people in the impoverished areas of the region to step up the fight against poverty by planting grass and trees, developing animal husbandry, and transforming mountains and rivers.

On the morning of 20 August Wan Li, accompanied by Li Xuezhi, secretary of the Ningxia Hui Autonomous Region party committee, and Hei Boli, chairman of the regional government, inspected Xiji, a hilly county in southern Ningxia, by a helicopter. Wan Li said to them: "You have done a good job in intercropping trees and grass and harnessing river basins, little by little. The barren hills must be afforested." During the past 4 years the county afforested and seeded over 1.5 million mu of hilly areas, thus improving the county's ecological environment and solving the local people's needs for fuel and feed. The people in the county also recovered over 900,000 mu of cropland into woodlands and pastures. Although the size of cropland has shrunk, both the food output and the peasants' income have increased.

Wan Li and his party also made an aerial inspection of the Guyuan-Haiyuan Pumping Station in arid Tongxin County. This large irrigation project, which was started in 1978, now diverts water from the Huang He to irrigate 700,000 mu of land in Zhongning, Tongxin, Haiyuan, and Guyuan Counties and a state farm and provides drinking water to 250,000 people and some 500,000 head of livestock. Trees, croplands, new houses, and new villages are along the conduits. According to the autonomous region's leading comrades, those places used to be deserts, but production has quickly developed and the peasants' income has increased substantially because of the completion of the pumping station. To help, the impoverished areas will be developed on the vast deserts during the Seventh 5-Year Plan, utilizing the water resources of the Huang He. In this way, they said, the river and the hilly areas will benefit each other. Wan Li said to the comrades of Ningxia: "You have done the right thing to relocate the most impoverished families from the hills to developable areas where they can build houses and villages and plant grass, trees, and food crops. The project of developing new irrigations zones and utilizing the resources of the Huang He should be intensified."

At noon Wan Li's plane touched down in Zhongwei County, located at the southern tip of the Huang He Irrigation Zone. Soon afterward he went to Shapotou by automobile to inspect the world-famous desert control project there and visit those who have achieved outstanding successes in harnessing sandy areas. Wan Li highly evaluated the nation's scientists, workers, and peasants for their successes in harnessing deserts by planting square grass plots and windbreaks.

Comrade Wan Li arrived in Yinchuan on the afternoon of 21 August. When he inspected Yinchuan in July 1984 Wan Li proposed: "Ningxia is a region inhabited by national minorities -- urban construction here should have nationality characteristics." This time he was glad to see the many new buildings with ethnic features built in Yinchuan. He pointed out: "Small wooded areas are essential for urban beautification. Unused land should be utilized or leased out for growing flowers or cultivating young trees. On the morning of 21 August Comrade Wan Li departed Yinchuan for Beijing by plane.

Comrade Wan Li arrived in Ningxia via Gansu after attending the Third National Sports Meet of Minority Nationalities, held in Xinjiang. During his stay in Gansu, Comrade Wan Li inspected the primitive forests of Mount Xinlong in Yuzhong County; the water conservancy project in Shijiacha, located in Changkou Township in Dingxi County; and the Baicaoyuan Irrigation Zone, located between Jingyuan and Huining Counties, which utilizes water from the Huang He. Wan Li praised these places for having done "a fairly good job."

WAN LI LAUDS SHANDONG OCEANOGRAPHY COLLEGE WORK

OW230351 Beijing XINHUA Domestic Service in Chinese 0635 GMT 22 Aug 86

[By reporter Yin Jianhua, Liu Deyu]

[Summary] Qingdao, 22 Aug (XINHUA) -- In the past 8 years, Shandong College of Oceanography made some 100 important achievements in scientific research, 39 of which were awarded by the state, the ministry, or the province. Many of these achievements have been used in production.

The college's marine medicine laboratory has extracted brown algae gelatin from kelp and has used it to make medicine and health food. "Recently, Comrade Wan Li visited the college and praised it for 'developing marine medicine to benefit mankind'."

WAN LI, YANG DEZHI WATCH CHILDREN'S PERFORMANCE

SK240420 Jinan Shandong Provincial Service in Mandarin 2200 GMT 23 Aug 86

[Text] On the evening of 23 August, the Jinan children song and dance troupe staged a report-back performance for central leading comrades in Beijing. More than 300 people attended the performance, including Comrades Wan Li, Yang Dezhi, Duan Junyi and Kang Keqing; responsible persons of relevant central departments; some veteran comrades; and well-known figures from cultural and art circles. In high spirit, the 78 little performers put on 11 splendid programs. The central leading comrades and the entire audience highly praised the performance of the children. Comrade Wan Li said happily: These children are lovely, and their performance is splendid. Talented people should begin training as youths.

He said: Shandong has developed its sports and cultural activities over the past 2 years. Shandong is a place where many scholars have been born. Now they will have successors. Comrades Wan Li, Yang Dezhi, Duan Junyi and Kang Keqing went up onto the stage to shake hands with the little performers and had a group picture taken with them.

QIAO SHI, OTHERS INSPECT NORTHEAST FLOODING

OW231322 Beijing XINHUA in English 1138 GMT 23 Aug 86

[Text] Changchun, August 23 (XINHUA) -- Officials from central authorities have inspected flooded areas in northeast China over the past four days. Qiao Shi, member of the Political Bureau of the party Central Committee and vice-premier, saw dykes of the Songhua River in Heilongjiang Province on Thursday and expressed regards to the flood-fighting soldiers and civilians there. Yang Zhenhuai, secretary-general of the Central Flood Control Headquarters and vice-minister of water resources and electric power, inspected Jilin where calamities were most serious.

He encouraged people along the East Liaohe River to fill in breaches of the dykes in a shortest period and launch a drive of salvation through production. Heavy rains and storm hit northeast China this month, causing swelling of water in the Songhua and Liaohe rivers. One million hectares of cropland were flooded in Jilin alone.

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Industrial workers in Jilin Province have decided to launch a 100-day campaign to increase production and lower consumption. Each worker is expected to yield 100 yuan of more profits to aid the flooded area. Yang also learned that office workers at provincial party committee and government departments have donated 210,000 pieces of clothing to these areas.

CHEN PIXIAN, OTHERS VISIT FUJIAN EXHIBITION

OW240504 Beijing Domestic Service in Mandarin 0300 GMT 22 Aug 86

[Text] Chen Pixian, Peng Chong, and other state leaders joined thousands of Beijing citizens to view a sale exhibition of products manufactured by Fujian's village and town enterprises at the China International Exhibition Center on the evening of 21 August.

Comrades Chen Pixian and Peng Chong shook hands with the sales clerks at the counters as they viewed the exhibits. Comrade Peng Chong even wielded a brush to write inscriptions for the Zhangzhou, Quanzhou, and Fuzhou exhibition groups. The inscription for Zhangzhou was "swift flight."

A Zhangzhou comrade noted: Product quality is most important. There should be a great variety of products and a better way of packing goods. Poor packing dissuades people from buying.

XI ZHONGXUN, ZHAO PUCHU MEET CHRISTIAN DEPUTIES

OW241028 Beijing XINHUA Domestic Service in Chinese 1309 GMT 22 Aug 86

[Text] Xi Zhongxun, member of the Political Bureau of the CPC Central Committee, and Zhao Puchu, vice chairman of the CPPCC National Committee, met with the deputies to the Fourth National Christian Conference of China and had a group photo taken with them in the Great Hall of the People this afternoon.

In his speech to the deputies, Xi Zhongxun praised the Three-Self Patriotic Movement of Chinese Christianity and the principle of self-administering, self-supporting, and self-propagating initiated just after the founding of New China by Wu Yaozong and other patriotic personages of insight as "an amazing beginning." He said: Over the past 30 years and more, the Three-Self Patriotic Movement of Chinese Christianity has achieved tremendous results. Christianity has become a religious institution run by Chinese Christians themselves. History has proved that it is entirely correct for the Chinese Christianity to adopt the three-self principle, maintain independence, keep the initiative in its own hands, and run the church by itself. Chinese Christian personages and believers can independently promote the Chinese Christian church.

Xi Zhongxun called on friends in China's Christendom to continuously keep to the three-self patriotic and just stand, consolidate and expand the unity of Christians based on the three-self principle, and make efforts to run well the self-administering, self-supporting, and self-propagating Chinese Christian Church.

Xi Zhongxun said: The absolute majority of China's Christians are workers, peasants, and intellectuals on all fronts. They have worked hard with people of all nationalities and made contributions to national construction.

During the new historical period, China's Christians may also make contributions to promoting socialist material and spiritual civilization. It is wrong to think of promoting spiritual civilization as conflicting with citizens' believing in religion. He called on the Three-Self Christian Council of China to launch healthy activities in various forms and unite, educate, and encourage the vast number of Christians to participate in promoting socialist modernization with people of all nationalities in the country and strive together for the motherland's peaceful reunification, oppose hegemonism, and safeguard world peace.

Christian Conference Ends 23 Aug

OW241402 Beijing XINHUA Domestic Service in Chinese 1111 GMT 23 Aug 86

[Text] Beijing, 23 Aug (XINHUA) -- The 8-day Fourth National Christian Conference of China closed in Beijing today. It urged all Christians in China to continue to uphold the principle of "self-administration, self-support, and self-propagation" and to work hard under the banner of "patriotism, love of religion, unity, and peace" to build the Christian Church of China into one that suits the great socialist epoch in our country.

China's Christian churches have undergone rapid restoration development since the Third National Christian Conference in 1980. In the past few years, the masses of Christians have actively participated in socialist modernization, and many advanced patriotic and religious Christians have come to the fore. The number of Christians who have been named model workers, advanced workers, and "8 March" Red-banner pacesetters has surpassed that of any other period since the launching of the three-self movement.

With the rise in China's international status, in the past few years China's Christian churches have broadened international contacts on the basis of equality and friendship, resulting in the visits to China by Christian delegations from many countries and regions and by well-known international Christian personages. The Three-Self Patriotic Movement Committee of the Protestant Churches of China and the Christian Council of China have also sent delegations to attend some international meetings and to visit many countries and regions. These activities have forcefully safeguarded the three-self principle of self-administration, self-support, and self-propagation.

The conference adopted a message to Chinese Christians, elected Ding Guangxun chairman of the Fourth Three-Self Patriotic Movement Committee of the Protestant Churches of China and president of the Second Christian Council of China, and revised the constitutions of the two organizations.

Attending the conference were 266 Christian representatives from 28 provinces, cities, and autonomous regions throughout the country.

CORRECTION TO DEVELOPMENT OF SOCIALIST DEMOCRACY

The following correction pertains to the item headlined "Socialist Democracy Develops Along With Reforms," published in the 11 August China DAILY REPORT, page K 7, last paragraph, last line:

In the process of developing socialist democracy, such tendencies should not be ignored. (adding dropped word "not")

ANHUI'S WANG YUZHAO DISCUSSES JOURNALISM REFORM

OW241136 Hefei Anhui Provincial Service in Mandarin 1000 GMT 22 Aug 86

[Text] Addressing the second plenum of the councils of the provincial Journalists' Association and the provincial Journalism Society on 21 August, Wang Yuzhao, deputy secretary of the provincial party committee and governor, pointed out the need to proceed from reform for the success of journalistic work and to promote reforms in all quarters.

On how to carry out journalistic reform, Wang Yuzhao said: First of all, it is necessary to propagate the party's principles and policies in an accurate and timely manner so that the broad masses of people will have a quick and correct grasp of them. This is a key focus of attention in journalistic reform. On the heavy coverage of meetings and the activities of leading cadres by the press, radio, and television, Wang Yuzhao stated: In keeping with the efforts to carry out reform and open to the outside world, the press should increase the amount of information and expand the scope of coverage; in particular, it should fully reflect the lively, active, and creative activities of the broad masses of people in the course of the four modernizations as well as all forms of advanced deeds. For this purpose, it is necessary to cut down on general reporting, especially, reporting on meetings and coverage of the general activities of leading cadres, so as to imbue our news with vitality.

Wang Yuzhao noted: As the masses are the masters of their country, news reporting should fully mirror their voices and demands. Our press, radio, and television should become the venue for exploring the people's innermost feelings, matters under public discussion, and views exchanged among people. In conclusion, Wang Yuzhao stressed the need to step up the building of journalistic units. He said: Success in journalistic reform primarily hinges on the journalists' own efforts. It is necessary to arouse the initiative, enthusiasm, and creativity of journalistic units. On the other hand, workers in the journalistic units should further liberate their minds, step up studies, and improve their qualifications. On the other hand, party committees at all levels should strengthen and improve the party's leadership over journalistic work. It is necessary to respect journalistic laws and the autonomy of journalistic units within the context of Marxist guidelines and the party's four basic principles. Efforts should be made to create a fine environment for journalistic reform by allowing news agencies to decide for their own in the future on what to publish in their newspapers and by giving them a free hand to conduct journalistic reform without hesitation.

FUJIAN FORMALLY JOINS SHANGHAI ECONOMIC ZONE

OW240406 Shanghai City Service in Mandarin 0000 GMT 24 Aug 86

[Text] With the State Council's approval, Fujian, on China's southeastern seaboard, is formally joining the Shanghai Economic Zone, thereby expanding the scope of the Shanghai Economic Zone...to five provinces and one municipality. The expanded Shanghai Economic Zone includes one special economic zone, six coastal open cities, and two economic open districts. This zone is China's largest trans-provincial and trans-city belt opening to the outside world. It is absolutely certain that this belt will be built into China's largest export base to earn foreign exchange.

After rational planning Fujian's joining the Shanghai Economic Zone will result in the more rational development and exploitation of Fujian's obvious latent superior position. In addition, Fujian can promote the development and prosperity of the entire Shanghai Economic Zone. Fujian's harbors can become branch harbors of Shanghai harbor. The (Shuitou) hydropower station, east China's largest hydropower station, to be built soon, can transmit part of its electric power to the east China power network when it is completed. The Xiamen Special Zone can enable the economic zone and all fraternal provinces and cities to enjoy the conditions and policy of certain free ports.

FUJIAN THIEVES, OTHERS SURRENDER DURING CAMPAIGN

OW231056 Beijing XINHUA in English 0640 GMT 23 Aug 86

[Text] Beijing, August 23 (XINHUA) -- Nearly 10,000 thieves and other lawbreakers have surrendered to local police in Fujian Province since June seeking leniency for their crimes, the Overseas Edition of the "PEOPLE'S DAILY" reported today. The surrenders came in response to an anti-theft campaign begun in June in Fujian and a national effort to encourage criminals to surrender in return for lenient punishment. In addition, said the Communist Party paper, since June Fujian police have solved 4,200 criminal cases with the help of nearly 18,000 clues offered by provincial residents. This has led to the recovery of more than 3.6 million yuan (970,000 U.S. dollars) in stolen currency and goods, according to the report.

Throughout this summer, the national Ministries of Justice and Public Security have been urging lawbreakers to give themselves up promptly and receive reduced sentences. Combined with a stepped up effort by citizens to catch criminals in the act and turn them over to police, the leniency program has reduced crime in several of China's major cities in July and August. At the same time, criminals in custody have been responding to incentives to confess to other crimes and to help police catch lawbreakers still at large. In Fujian, where officials say theft has been increasing since 1983 and 65 percent of the crimes are committed by juveniles, local authorities have been trying to spread information about the law among the young.

SHANDONG OPENS 2 MORE PORTS TO FOREIGN TRADE

HK220352 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0219 GMT 19 Aug 86

[Report by Yuan Chonghe: "Shandong Opens Two More Ports"]

[Text] Jinan, 19 Aug (ZHONGGUO XINWEN SHE) -- Recently, Shandong opened Lanshan Port and the Shijiu Port to foreign countries. Shandong had previously opened Qingdao, Yantai, Longkou, and Weihai Ports.

Lanshan Port and Shijiu Port are located between Qingdao Port and Lianyungang Port. Their geographical positions are favorable. They have vast areas of hinterland and ample sources of commodities for export. Lanshan Port has a 10,000-ton deep water berth with an annual handling capacity of more than 1 million tons. Foreign ships can anchor directly at the wharf. Shijiu Port is next to Shijiu Dagang and has favorable conditions for anchoring and unloading goods to lighters. Since these two ports were opened, they have helped reduce pressure on Qingdao and Lianyungang.

GUANGDONG MEETING ON TOWNSHIP ENTERPRISES ENDS

HK230433 Guangzhou Guangdong Provincial Service in Mandarin 0300 GMT 23 Aug 86

[Text] The provincial conference on township enterprises concluded in Guangzhou today. Giving a summation report, Vice Governor Ling Botang said that the province's township enterprises should develop in the direction of higher grades, more tiers, and better adaptation to reality. Total income of these enterprises during the Seventh 5-Year Plan should amount to 50 billion yuan, a rise of 30 billion yuan over the Sixth 5-Year Plan, showing an annual average increase of 60 million yuan.

Ling Botang pointed out that achieving this goal of endeavor is the requirement of the rural reforms and an effective measure in building new Chinese-style socialist rural areas. During the coming period, we should simultaneously develop primary, secondary, and tertiary industries in the township enterprises with the focus on the secondary and tertiary; simultaneously develop large, medium, and small enterprises, with the focus on medium and small; and simultaneously develop enterprises run by the collectives, by combinations of households, and by individuals, with the focus on the combinations and the individuals. The guiding idea of this principle is to divert surplus rural manpower to secondary and tertiary industry and speed up the integration of the urban and rural areas.

Ling Botang stressed in conclusion that conditions greatly vary between different areas in Guangdong. In developing township enterprises, it is essential to act in light of local conditions and provide appropriate guidance. Areas where the foundation is good can refer to the experiences of southern Jiangsu and of Shunde, Nanhai, and Dongguan Counties in the Zhu Jiang Delta. Areas where the foundation is rather poor should learn from the experiences of places such as Wenzhou, Wuchuan, Yunfu, and Puning, and vigorously develop enterprises run by households and combinations of households.

GUANGZHOU WITHSTANDS WESTERN INFLUENCE 'WAVES'

OW240558 Beijing XINHUA in English 0530 GMT 24 Aug 86

[Text] Guangzhou, August 24 (XINHUA) -- The open policy has opened the horizon of the people, enabling them to see where they have lagged and fostered some new ideas that they could not acquire behind the closed door, said an official of the Guangzhou City's party committee.

He recalled in a recent interview with XINHUA reporters Wang Zhigang and Xie Jinhu the three waves of social problems the city experienced in the course of opening to the outside world over the past eight years. Guangzhou has not only withstood the pounding of the waves, but also benefitted from it, he said.

The first wave was the capitalist affluence, which began in 1978 and reached its peak in 1980, when the city with a population of 3.2 million was vexed with the problem of unemployment of 700,000 young people. With the door opened, relatives of some people who had been residing abroad for years flocked back to the city, bringing with them foreign goods rarely seen in the country. Seeing this, some people, especially young ones, began to waver and there was a wave of illegally crossing over to Hong Kong.

In face of this situation, the Guangzhou city government persisted in reforms, introducing the household-based production responsibility system in the rural areas, encouraging development of self-employed and collective businesses for more job opportunities and expanding the city's external economic activities. Within three years, the city was able to provide jobs for them, thus halting the wave of illegal crossing. Now some of the people who had crossed over to Hong Kong have returned. Relating to their experience, they commented that Guangzhou might not compare with Hong Kong in modern comforts and what the people wear, but it can compare with Hong Kong in what workers live and eat and it is definitely better in people-to-people relationship.

The second wave came as a result of local people's easier access to Western culture through television sets and cassette recorders which had become available to almost every family around 1983. Serious and traditional music was replaced by pops, which were used by nearly 100 new hotels and restaurants to attract customers. Pornographic video-tapes also spread. This prompted the city government to change the cultural management system. A cultural management committee was set up to provide guidance to the people's cultural life, running music tea houses, pleasure centers and other recreational facilities in addition to increasing the number of TV programs and film shows. Gradually, low taste things fell into disfavor. The city official said that young people took to such low taste things just out of curiosity but they became fed up with them soon and began to like inspiring healthy music and operas. But the low taste songs still have some market among the less educated people, he said.

Now 400,000 of the 570,000 young workers are studying in evening schools, for they have seen something useful to learn from western culture and science and technology, the official said.

The third wave was unscrupulous profit seeking, which lured many people into the trap of profiteering, and smuggling. The city government came down sharply on criminal activities while strengthening market control and ideological education among business people. This halted the crime wave and socialist ethics prevailed.

We do not oppose earning money, said the city official. On the contrary, we encourage people to get prosperous through their own industrious labor, instead of at the expense of the interests of others and the state. The official said that the open policy has brought in some negative influence over the society, but when this is overcome, it will inject renewed vigor into the society.

WORKERS BUY SHARES IN GUANGZHOU ENTERPRISES

OW230914 Beijing XINHUA in English 0758 GMT 23 Aug 86

[Text] Beijing, August 23 (XINHUA) -- Workers in three of Guangzhou's larger state-owned factories have bought 30 percent of their enterprises over the last six months, the ECONOMIC DAILY reported today. Altogether, the workers have invested 6.63 million yuan (1.79 million U.S. dollars) in the Guangzhou silk and flax textile mill, the Qiaoguang pharmaceutical factory and the Mingxing pharmaceutical factory.

Depending on the plant, between 70 and 90 percent of the workers participated, buying an average of more than 1,200 yuan (324 dollars) in stock. The central government retains ownership of 70 percent of each enterprise. With government representatives dominant, the shareholders have elected new boards of directors and have formed organizations to represent their interests with the enterprises' managers. The paper said making individual workers minority partners in state enterprises was an "experiment aimed at increasing workers' initiative and raising needed funds for the enterprises involved."

Once they became part-owners of their factories, according to the paper, "many of the workers became more concerned about issues of production and management and made suggestions that have led to reducing waste, cutting costs and improving product quality." It said the funds raised by the stock sale would be used for plant modernization and development of new products.

HUBEI HOLDS CONFERENCE ON FIGHTING DROUGHT

HK221050 Wuhan Hubei Provincial Service in Mandarin 1000 GMT 20 Aug 86

[Excerpts] In the afternoon of the day before yesterday, the provincial government held an urgent conference on fighting drought, putting forward four demands on the current work of fighting drought throughout the province:

1. Leaders at all levels must attach great importance to the current work of fighting drought. Since August, the larger part of our province has been sunny and hot and has had little rain and continuous high temperatures. Its drought situation has continued to develop. Some 11 million mu of autumn-harvested crops, including middle-season rice, late rice, cotton, and corn, in prefectures and cities such as Jingzhou, Xiangfan, Yunyang, Jingmen, Xianning, Yichang, and Huanggang has been seriously affected by drought. The drought situation still develops. It is now a crucial season when a large amount of water is needed for autumn-harvested crops to grow. It is now also the final state to wrest a bumper harvest for the whole year. Therefore, we must really strengthen leadership over the work of fighting drought and do our best to persist in fighting drought to the end and to strive for final victory.

2. In fighting drought, we must give prominence to the key points and really guarantee a bumper harvest of grain and cotton. [passage omitted]

3. All places and departments concerned must formulate effective measures. At present, many places still have water but they are mainly running short of electricity, diesel oil, and funds. Prefectures and counties where the drought situation is serious must first use their electricity to fight drought and not less than 30 percent of the total amount of their electricity should be used to fight drought. [passage omitted]

The provincial government has decided to give 50,000 kilowatts of electric power used by the urban industry to the prefectures seriously affected by drought, to fight drought until the end of August. All places must first use their diesel oil to fight drought. Relevant provincial departments must strengthen control and quickly allocate the antidrought materials. The provincial authorities will also arrange a certain amount of antidrought funds and materials to support the key prefectures in fighting drought.

4. All trades and professions must vigorously support agriculture and fight drought. [passage omitted]

HU JINTAO ATTENDS GUIZHOU SPORTS MEETING

HK230926 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 21 Aug 86

[Excerpts] The sixth provincial sports meet, which lasted 12 days, held its closing ceremony at the Zunyi Gymnasium on the evening of 21 August. Provincial CPC Committee Secretary Hu Jintao and Vice Governor Zhang Yuqin attended the closing ceremony. (Tuo Wenzhong) presided over the closing ceremony. Leading comrades including Hu Jintao and Zhang Yuqin presented prizes to the delegations which had won the first three places in the team competitions to individual winners of the first three places, and to winners of the spiritual civilization prizes. (Li Yuandong), vice chairman of the sixth provincial sports meeting's Organization Committee and chairman of the provincial Physical Culture and Sports Commission, delivered the closing speech. [passage omitted]

The afternoon of 21 August at the Zunyi Guesthouse, provincial CPC Committee Secretary Hu Jintao met the heads and representatives of the players and coaches of all delegations attending the sixth provincial sports meeting. Hu Jintao made a special trip to Zunyi from the capital of the province to attend the closing ceremony. After listening to the reports made by the responsible persons of all delegations, Hu Jintao spoke. He first affirmed the achievements scored at the sixth sports meeting, congratulated the players on their achievements at this sports meeting, and extended cordial greetings to all coaches and working personnel who had worked hard. [passage omitted] He hoped that all sports workers and players throughout the province would have great ambition, win great honor, carry forward their indomitable spirit, and work hard to score good achievements at the national sports meet next year.

SICHUAN SCHOLARS, EXPERTS DISCUSS ECONOMIC ISSUES

HK220143 Chengdu Sichuan Provincial Service in Mandarin 2200 GMT 21 Aug 86

[Text] According to SICHUAN RIBAO, the provincial party committee and government has organized a major debate on invigorating Sichuan's economy. This has been done in order to pool people's wisdom, further probe and study the guiding ideas and basic path for the province's economic work during the Seventh 5-Year Plan, speed up the development of the province's commodity economy, and turn policymaking into a democratic and scientific affair. This major debate, which began in mid-July, has lasted more than 1 month. It has been held at three levels. At the first level, the provincial economic departments and the cities and prefectures organized forces to hold a debate. At the second level, the provincial Planning and Economic Commission, the provincial Research Office, the provincial government's economics research center, and the provincial Social Science Institute jointly convened a discussion meeting.

At the third level, a discussion was held in Chengdu, attended by 108 persons. Provincial CPC Committee Secretary Yang Rudai and Deputy Secretary and Governor Jiang Minkuan presided. The participants included veteran experts and middle-aged and young scholars in science and technology, economics, and theory; responsible comrades in charge of economic work in some cities and prefectures; cadres and veteran comrades who have long been engaged in economic work; and responsible persons of the provincial party committee, Discipline Inspection Commission, People's Congress Standing Committee, government, and CPPCC, and of departments concerned in the provincial party committee and government.

The scope of the discussion, the number of participants, and the depth of the contents in this discussion has rarely been seen in Sichuan before.

During this major debate, many comrades held that in order to speed up the development of Sichuan's commodity economy, it is essential to further emancipate the mind, brace spirits, overcome the small production concept, continue to clear away leftist influences, and unswervingly persevere in reform. Political structural reform must be carried out synchronously and in harmony with economic structural reform.

YUNNAN MAKES ARRANGEMENTS FOR ARMY CADRES

HK230914 Kunming Yunnan Provincial Service in Mandarin 1000 GMT 21 Aug 86

[Excerpts] Yunnan Province has completely carried out the work of making arrangements for Army cadres transferred to civilian work in 1986. This is the second year that the Army has carried out structural reform, streamlining, and reorganization and made arrangements for redundant cadres. It is also a crucial year. The work of making arrangements for Army cadres transferred to civilian work this year is arduous, time consuming, and demands high and policies must be strictly adhered to.

The Yunnan Provincial CPC Committee and provincial people's government have attached great importance to this work. They recently specially listened to the report made by the provincial work group for making arrangements for cadres transferred to civilian work. They have studied the work of making arrangements this year.

In light of the large number of cadres transferred to civilian work this year and the greater difficulties in making arrangements than in previous years, the provincial leadership group for the work of making arrangements for Army cadres transferred to civilian work has demanded that in accordance with the state's needs in construction and with the actual situation of the Army cadres themselves, all places should allocate well cadres transferred to civilian work so that they are each in their proper places and can each make the best use of their ability. They must also make proper arrangements for the family members of Army cadres transferred to civilian work and for the schooling for their children. They must try in every possible way to solve the housing problems of cadres transferred to civilian work. [passage omitted]

All PLA units must teach the cadres transferred to civilian work to make allowances for the difficulties of the localities and to obey allocations. They must mobilize and encourage cadres transferred to civilian work to go where conditions are hardest and to the posts most needed by the four modernizations. [passage omitted]

Kunming and prefectures and autonomous prefectures including Qujing, Wenshan, Baoshan, Honghe, and Dali have begun vigorously receiving cadres transferred to civilian work.

NORTHEAST CHINA PROMOTES LATERAL ECONOMICS TIES

OW230121 Beijing XINHUA Domestic Service in Chinese 1419 GMT 21 Aug 86

[By reporters Wu Jinamin and Xie Jinhu]

[Text] Harbin, 21 August (XINHUA) -- The on-going third meeting on economic and technical cooperation in Northeast China has pointed out: Currently, Northeast China is rapidly promoting lateral economic ties. Some 12,000 agreements (contracts) for economic cooperation and integration have been signed over the past year. Investments totaling 1.3 billion yuan have flowed into the region. Northeast China and other localities have exchanged nearly 10,000 competent people to fill various posts. Northeast China has increased its total output by more than 2 billion yuan and has turned over an additional 400 million yuan in tax and profits to the state treasury. The total amount of materials affected by economic cooperation is worth 2.3 billion yuan.

Northeast China includes Heilongjiang, Jilin, Liaoning and Nei Mongol Autonomous Region's Hulun Buir, Hinggan, and Jirem Leagues and Chifeng City. It is an important base area for China in the production of iron and steel, energy resources, machinery, lumber, and grain crops. Economic integration and cooperation in this region have developed from simple exchange of materials and processing of semifinished products to joint efforts to develop and produce products; from exchange of individual technical know-how to transfer of entire scientific and technical processes and development of entire technical systems; and from exchange of technology and materials on a temporary basis to long-term cooperation. Currently, there are over 1,200 industrial groups in Northeast China that are turning out fuel, raw materials, semifinished products, and high-quality, famous-brand products.

LIAONING MEETING ON POLITICAL SYSTEM REFORM

SK230432 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 22 Aug 86

[Text] A meeting to discuss the theory of political system reform, jointly sponsored by the provincial Historical Materialism Study Society, the provincial Philosophical Society, and the Philosophy Institute of the Liaoning Social Science Institute, was held in [words indistinct] from 16 to 19 August.

Nearly 120 people attended the meeting. They were working personnel from enterprises in Sichuan, Hubei, Hebei, Nei Monggol, Shanxi, Shanghai, [words indistinct]; personnel from relevant central departments; and personnel from some press units, such as the RENMIN RIBAO Office, the GUANGMING RIBAO Office, the JINGJI RIBAO Office, and the SHIJIE JINGJI DAOBAO Office.

Persistently in line with the double hundred policy and the principle that we benefit from those with awards who express their ideas, participants emancipated their minds, spoke out freely, and enthusiastically discussed from various angles the issues on how to persist in and improve the party's leadership, to eliminate the malpractice of an overconcentration of power, to strengthen construction of democracy and the legal system, and to achieve reform of the system of cadre personnel affairs. Participants also exchanged information on how some areas throughout the country had carried out theoretical discussions on political system reform in the preceding period.

Li Zemin, deputy secretary of the provincial party committee and secretary of the Shenyang City party committee, made a speech at the meeting.

He stated: The reform of the political system is being carried out under the leadership of the party with a view to improving our country's political system. Reform is not only an objective requirement for economic development but also a requirement for the realization of socialist modernization and the country's long-term order and stability. Tasks of urgent importance now ahead of the theoretical workers and leading cadres at all levels are to make good ideological and theoretical preparations through study, to renew their ideas and thinking, [words indistinct], to thoroughly conduct investigations and study in line with the situation of the state, provinces, cities and counties, [words indistinct].

Zhu Houze, director of the Central Propaganda Department, sent congratulatory telephone message to the meeting. He urged the comrades on [words indistinct] front to further enliven their ideas, to further invigorate their style of study, and to make new contributions to the reform of political system.

Also attending the meeting were (Li Fu), deputy director of the Theoretical Bureau of the Central Propaganda Department; Shen Xianhui, Standing Committee member of the provincial party committee and director of the provincial Propaganda Department; Zhang Zhiyuan, vice chairman of the provincial People's Congress Standing Committee; and Liu Yiyun, Standing Committee member of the provincial Advisory Commission

LIAONING SECRETARY INSPECTS FLOOD SITUATION

SK250031 Shenyang LIAONING RIBAO in Chinese 12 Aug 86 p 1

[Excerpts] Through half a month of the valiant struggle by 200,000 servicemen and civilians in Tieling City, the Liao He's fourth flood crest safely passed through the Northern part of Liaoning Province and no breaches have taken place in the embankments along the Dongliao He and the mainstreams of the Liao He, which total 270 km.

From 26 July, the embankments along the Dongliao He and the mainstreams of the Liao He had been overloaded. The flow rate of the Dongliao He flood crest reached 1,010 cubic meters per second, exceeding the flow rate of the highest flood crest last year by over 300 cubic meters per second. The flow rate of the mainstreams of the Liao He had been 660 cubic meters per second last year, but was 1,730 cubic meters per second this year. Before the arrival of the flood crest, principal party and government leaders of Tieling City guided more than 1,400 cadres of the counties, townships (towns), and villages along the river to initiatively march to the embankments; and rapidly organize 200,000 servicemen and civilians into a large contingent of antiflood and rescue workers.

At the crucial moment to deal with the antiflood and rescue work, Quan Shuren, secretary of the provincial party committee; Li Changchun, acting governor of the province; and Li Jingsong, commander of the Shenyang Military Region; came to the forefront of the antiflood struggle. The people of the city were greatly inspired with enthusiasm. The people in Shenyang, Fuxin, and Fushun directly sent 600,000 straw bags to the embankments to support the antiflood and rescue work. On 8 August when the water level of the Liao He began to fall, the people had scored a first-round victory in the antiflood struggle. [passage omitted]

XINJIANG HOLDS DISCIPLINE INSPECTION WORK FORUM

HK220855 Urumqi Xinjiang Regional Service in Mandrin 1200 GMT 19 Aug 86

[Excerpts] From 12 to 17 August, the regional Discipline Inspection Commission held a forum at (Wujiaqu) on discipline inspection work. The forum demanded that CPC committees and discipline inspection commissions at all levels continue to develop the excellent situation in which the whole party grasps the straightening out of party style, step up straightening out party style, correct unhealthy trends, and strive for a marked turn for better in party style within this year, as put forward by the seventh plenary session of the third regional CPC Committee. [passage omitted] The forum made arrangements for the tasks in the second half-year.

The forum held: In the first half of this year, CPC committees and discipline inspection commissions at all levels grasped the straightening out of party style, corrected unhealthy trends, investigated and dealt with big and serious cases, corrected education in party spirit, and enforced discipline. [passage omitted] However, there are some discrepancies between the work they did and requirements set by the central authorities and the regional CPC committee, and their work did not develop evenly. In the second half-year, in accordance with the arrangements made by the seventh plenary session of the third regional CPC Committee for straightening out party style, they must further strengthen leadership over the work of straightening out party style and seriously carry out the plan for realizing a fundamental turn for better in party style and the system of responsibility for straightening out party style. Discipline inspection commissions at all levels must correctly understand the relationship between straightening out party style and carrying out reform, support and protect reform, and act as promoters of reform. They must correctly distinguish between unhealthy trends and violations of the law and discipline and slips in the course of reform and teach party members and cadres to have the spirit of being determined to carry out reform and to have strict concepts of discipline and the legal system to guarantee the smooth progress of reform.

The forum demanded" That CPC committees and discipline inspection commissions at all levels must continue to do well in investigating and dealing with big and serious cases. They must speed up the trying of cases. They must criticize the units which do not vigorously investigate and deal with big and serious cases and instruct them to correct their mistakes in a specified period. In the light of the realities of their own units, CPC committees at all levels must take the lead in strengthening leadership over the work of correcting unhealthy trends and seriously handle important problems.

The forum also demanded: That CPC committees at all levels must further do well in conducting education in party discipline for party members and in enforcing discipline. [passage omitted]

Shi Geng, regional CPC Committee Standing Committee member and regional Discipline Inspection Commission secretary, attended and spoke at the forum.

RETURNING DELEGATION DISAPPOINTED ON DAYA BAY

HK220619 Hong Kong HONGKONG STANDARD in English 22 Aug 86 p 1

[By Andy Ho]

[Text] A furious anti-nuclear delegation returned from Beijing late last night and pledged to "fight on" for the shelving of the Daya Bay nuclear project.

The head of the 12-man team, the Rev Fung Chi-wood, said his group is not convinced by the Chinese experts and still have the same anxieties over the nuclear installation as before.

He told THE STANDARD that their mission has been distorted by the mainland press, which has "tailored the groups' speeches to suit their own needs."

A CHINA NEWS SERVICE report last Wednesday quoted the Rev Fung as saying that they were satisfied with the result of their mission.

He said he did not recall having made any remarks to that effect and had only described their trip as a "partial success."

Said the Rev Fung: "We are glad that we handed over the one-million signature petition to a State Council official, but we are very disappointed that the arrangement was made only after much bargaining."

The Chinese leaders conceded to have the vice-director of the Hong Kong and Macao Affairs Office, Mr Li Hou, to receive the petition only after the group threatened to bring the signatures directly to the office of the State Council, he added.

The signatures were presented at the Beijing Science Hall.

Another member of the group, Mr Anthony Ha, said the officials advised them that a direct petition to the State Council would breach the "Beijing norms."

The group accepted the new arrangement because they thought that "dialogue is better than confrontation."

But it turned out that there were little chance for "genuine dialogues," said the Rev Fung.

He said most of their activities arranged by China were either guided tours or presentations of prepared speeches.

In the five-day stay, they were only allowed less than an hour to raise questions relating to Daya Bay, during which they managed to ask about eight questions.

The Anglican priest is also critical of another report [by] CHINA NEWS SERVICE, headlined "Hong Kong Citizens' Nuclear Phobia Is Fading" which quoted him as saying the trip was an "eye-opener" and that he "appreciated" China's achievements in nuclear technology.

He said he only told the host after the visit he "has a better understanding of the nuclear research in China."

The activists were given a warm welcome by leaders of the 115-group anti-nuclear united front on their return.

ZHONGGUO XINWEN SHE VIEWS LEGCO MEMBERS SURVEY

HK230848 Hong Kong ZHONGGUO XINWEN SHE in Chinese 1317 GMT 21 Aug 86

["Short commentary" by ZHONGGUO XINWEN SHE reporter Guo Weifeng: "The Findings of Surveys Conducted by Hong Kong Legislative Council Members on Nuclear Power Should Be Taken Seriously"]

[Text] Hong Kong, 21 Aug (ZHONGGUO XINWEN SHE) -- Following a nuclear power fact-finding trip in Europe, America and Japan, the nuclear power survey groups formed by the Hong Kong Legislative Council members have begun to draft a report. It is said that this report will be completed in the immediate future, so as to be submitted to the Legislative Council and publicized to the citizens. Although the contents of this report are still unknown, judged by the information gathered by the survey groups, the report will cover all the findings of the survey. Therefore, people of all circles in Hong Kong and the departments concerned in China should take it seriously.

The value of the survey is primarily determined by the objectives of the survey. While people of all circles were allowed to air their views, if the survey had been conducted solely by people who support or oppose the construction of the nuclear plant, inevitably the findings would be biased. It is gratifying that the objective of the Legislative Council members was not biased. Just as Legislative Councillor Allen Lee said: "The objective is to find facts." Maria Tam, who headed the survey team to Europe, also talked about the three tasks of their mission: Assessing the rate of danger, examining the emergency plans, and gathering information. It has been learned that the survey groups also brought with them nearly 200 questions raised by the people of all circles in Hong Kong. Judging conducted by the survey groups in Europe, America, and Japan and the speeches only made by the councillors, we can see that the members of the survey groups have honored their promises and their trips were really fact-finding.

The contents of the survey are also very important. As the debate over the construction of the Daya Bay Nuclear Power Plant has lasted for several months and 1 million people have signed a petition demanding the suspension of construction of the plant, there are a lot of people worrying about the safety of nuclear power. Since many people have mistaken the nuclear power plant for an atomic bomb, it is not strange that they feel so panicky. However, with a well-defined objective in mind, the survey groups focused on investigating nuclear power technology and the safety measures. For example, in the French Gravelines Nuclear Power Station, the councillors investigated the present nuclear power situation in France as well as the management, anti-radiation, and emergency measures. In Japan, they made a survey of the evacuation scope of nuclear power plants and the safety factors of the compressed reactors. In the United States, they solicited the opinion of experts on the construction of the Daya Bay Nuclear Power Plant. Thus, we can see that the surveys were aimed at getting to the root of the matter or finding an answer to the nuclear power safety issue worrying so many people.

The appropriateness of the sites of the surveys also determines the value of the report. West Europe is a region which is utilizing much nuclear power and has accumulated more experience than any other place in the world; the United States was the first country in the world to develop nuclear power; and Japan is the most advanced country in the world in research into the danger of radiation. To conduct surveys and gather materials in these countries is surely of great reference value.

Although the trips were short, members of the survey groups all said that they gathered very rich materials and gained greater knowledge about nuclear power. Judged by the dispatches sent by the Hong Kong reporters covering the mission, we have learned that many questions brought along by the councillors have been given satisfactory answers. The contents of the survey not only involved the safety of nuclear power technology but also the issues concerning education in nuclear information and so on. Moreover, they have established communications channels with the nuclear departments and organizations of many countries and international atomic organizations. Entrusted by the people in Hong Kong and their concern about the safety of nuclear power, the survey groups have not only visited the official organizations but also the residents living around the nuclear plants, thus acquiring both objective and subjective knowledge about nuclear power. Therefore, they have really gained much.

Many councillors said that it is necessary to adopt a fact-finding attitude to participate in the drafting work. Allen Lee said that it imperative to complete "a truthful report." Mrs Pauline Ng said that the report will be only a factual report about the construction of the nuclear power plant with no conclusion to support or not to support the construction. Therefore, if the report is objective, it will be worthwhile for the pro and con factions on the Daya Bay Nuclear Power Plant to conduct a calm study for it. As far as the relevant departments in China are concerned, they should also take it seriously and use it for reference. For example, according to the survey groups, the report will especially introduce how countries like France, the United States, Japan and so on popularize nuclear information. The popularization of nuclear information is something that should be urgently carried out in China. The surveys conducted by the Hong Kong Legislative Council certainly show that "advice from others may help one overcome his shortcomings."

BASIC LAW BODY BUSINESSMEN PROPOSE 'BLUEPRINT'

HK220613 Hong Kong SOUTH CHINA MORNING POST in English 22 Aug 86 p 2

[By Lulu Yu]

[Text] Businessmen and professionals comprising nearly a third of the 180-strong Basic Law Consultative Committee have put forward a proposal that looks strikingly similar to Beijing's idea of a post-1997 Hong Kong government.

The system suggested by 57 members would have an indirectly elected chief executive, an appointment cabinet similar to the present Executive Council, and a legislature with 20 directly elected members.

It calls for the retention of "the good aspects of the present system," namely an efficient executive authority, the absence of party politics and an independent judicial system.

Chinese officials have in recent months revealed their preference for a system in which the present relationship between the Legislative and Executive Councils would be retained with some modifications to their composition and power.

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They also emphasised the importance of separation of the powers of government by mutual checks and balances.

The businessmen's proposal, in the form of a paper, was revealed yesterday at a press conference timed to precede the meetings of the Basic Law Drafting Committee's [BLDC] economic subgroup, which will begin in Xiamen on Sunday.

This is the first time the business sector, generally seen as conservative, has come up with a comprehensive blueprint for the future Special Administrative Region.

Certain members had earlier aired views deemed to be more resistant to political reforms and direct elections.

Mr Vincent Lo, chairman of the Shui Group, said 57 committee members had gathered to discuss their personal ideas on the future SAR system because they felt that the business and professional sector had not been active in providing input to the BLDC.

"We're not a pressure group or a political party. The proposal reflects our personal views only.

"While it reflects the thinking of a number of the business community, it is designed to be a government system that works for the welfare of all Hong Kong people," said Mr Lo.

Copies of the preliminary proposal were sent to the Government, Unofficial Members of the Executive and Legislative Councils, the Basic Law Drafting Committee and the BLCC.

Mr Lo emphasised that the guiding principle in drafting the proposal was to make it compatible with the provisions of the Sino-British Joint Declaration.

Members were also keen to preserve the three independent branches of government, with separation of powers reinforced by a system of checks and balances, he said.

The paper sets out the following proposals:

The chief executive -- with a role similar to that of the present Governor but not chairing the legislature -- to be chosen by an electoral college for over 600 people, including law-makers, members of district boards, the Urban and Regional Councils and representatives of various functional constituencies.

A group of advisers responsible only to the chief executive to form the Chief Executive's Council. Members would be officials and unofficials appointed by the chief executive or through a process of nomination.

The legislature to be composed of approximately 80 members, with half of the seats held by functional constituencies, a quarter elected by the electoral college and the rest directly elected.

Candidates for direct election to be nominated by members of the legislature, the Urban and Regional Councils and the district boards.

The legislature to continue to make laws, control government spending, monitor policy-making by the executive branch, and hold exofficio seats in statutory committees. The judicial system would continue to be based upon common law.

DIRECT ELECTIONS 'ALMOST CERTAIN' AFTER 1997

HK230538 Hong Kong HONGKONG STANDARD in English 23 Aug 86 p 2

[By To Yiu-ming]

[Text] Xiamen: Hong Kong is almost certain to have direct elections for the legislature after 1997 and the concern of the Basic Law drafters will focus on the share of seats to be returned by this method. The statement came from the co-convenor of the drafting subgroup on political system, Mr Louis Cha.

Whether the proportion of direct and indirect elections in the composition of the future legislature should be written down in the Basic Law is another key topic to be discussed during the current three-day meeting.

Some maintain that it is unwise to fix the exact proportion by the law in order to allow flexibility to cope with changing situations, while others think it is appropriate to give a clear provision in the document to avoid ambiguity.

Mr Cha appeared to take a more liberal stance than that of the proposal by 57 members of the Consultative Committee, who said future candidates for the elections should be nominated by an electoral college before direct elections take place.

He dismissed the proposal as undemocratic and said it was unlikely to have the consensus of political groups and intellectuals.

The agenda of the subgroup meeting also includes the discussion of the system of government and the meaning of "accountability" of the executive authority to the legislature.

According to Mr Cha, the subgroup will choose from three options for the system of government: Executive-centred, legislative-centred or separation of power among the executive, legislature and the judiciary.

Furthermore, four working papers have been prepared for this meeting by four members.

The co-convenor from the Mainland, Mr Xiao Weiyun, has drafted a paper on the formation and power of the chief executive and the executive authority. Mr Cha will present his paper on the power of the legislature, the relationship between the executive and the legislature and government institutions at local level.

The other two papers were prepared by Mr Justice Simon Li and Mr Szeto Wash on the judicial system and the civil services respectively.

Mr Cha personally favours a system of separation of power and a bicameral system of government to be composed of a popularly-elected municipal government and an indirectly elected legislature, with members returned by functional or professional bodies, which is basically the same as the present system.

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